



ARABOSAI Standards Committee

Guide to documenting supervisory work procedures
A guide for the Arab Organization of Supreme Audit Institutions

September 2022, Edition.

This guide was prepared by the working group of the ARABOSAI Standards Committee, responsible for priority 4.2."Supporting member agencies in documenting work in accordance with the requirements of the standards." It consists of representatives of the Audit Bureau of the Hashemite Kingdom of Jordan, the Supreme Council of Accounts of the Kingdom of Morocco, the Audit Bureau of the State of Kuwait, and the Central Auditing Institution of the Arab Republic of Egypt.

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Introduction

General framework to Preparing a documentation guide Supervisory work procedures

1. Documentation is one of the most important requirements for quality control processes, enabling assurance that auditors are performing their audit tasks in accordance with professional standards and specified terms of reference. Policies for maintaining various written and electronic records and the basic information from which auditors form their conclusions or opinions are of utmost importance, as reviewing and examining the documents prepared during the various stages of the audit process enables assurance that the audit is being carried out. The latter According to Professional standards requirements.
2. The Arab Organization of Supreme Audit Institutions (ARABOSAI), through its standards Committee, has given special importance to documentation as one of the foundations of the credibility and professionalism of audit work. This is because it provides evidence of the planning and performance of the audit process in accordance with international auditing standards and applicable legal and regulatory requirements, and because it provides a sufficient and appropriate record for the basis of audit reports.
3. Since the organization's member institutions are at different levels of developing frameworks for managing the documentation of the planning and implementation stages and preparing audit reports conducted by auditors, the need has emerged to develop a "Guide to Documenting Audit Procedures" specific to Arab institutions. On this basis, the Committee adopted the project to prepare this guide as part of its projects aimed at achieving priority. Sub-item 4.2 "Supporting Member institutions in Documenting Work in Accordance with Standards Requirements" within the framework of the Tripartite Committee's 2020-2022 Plan, as proposed at its 14th meeting and adopted by the Organization's Executive Council.

Subject and objectives of the guide

Approach ; The adopted methodology

4. This guide addresses the most important requirements for documenting audit procedures in accordance with INTOSAI standards for financial, performance, and compliance auditing, as well as the practical methods and means for implementing them during the audit cycle.
5. The guide seeks to enhance Arab agencies' commitment to documentation standards and enhance their performance of audit work, ensuring it is carried out with high professionalism and expertise. In this regard, the guide provides practical guidance to assist agencies in implementing effective audits that meet the standards' requirements in terms of documenting audit work. Furthermore, the documentation guide aims to complement the documentation requirements contained in the guides developed by the committee, such as the Financial Audit Guide, the Quality Assurance Guide, and the guides used by agencies to implement audit standards.
6. This guide was prepared from a comprehensive perspective of the tasks and mandates of supreme audit institutions and the audit cycle. Care was taken to address the various documentation requirements across the horizontal audit processes (strategic planning, programming, and quality assurance) as well as across each type of audit (at all stages). It provides a comprehensive and integrated methodology for applying documentation standards, based on defining its requirements. In accordance with the framework of INTOSAI professional publications, including standards ISai and provide explanations, when necessary, in addition to the methods for downloading it practically during the control cycle.

Guide Preparation Series

Guide Structure

Update the guide

7. The Organization's audit procedures documentation manual was prepared by the working group of the Standards Committee in charge of Sub-priority 4.2 "Supporting member bodies in documenting work in accordance with the requirements of the standards". It has been approved. Finally, by the committee in its meeting on the date and before Executive Council in its meeting on the date
8. The development of the "Guide to Documenting Audit Procedures" was subject to the principles, procedures and measures approved by the Standards Committee, while following: His path A participatory approach allowed for broad input into the development and adoption process by members of the working group, the committee, and the organization's member bodies.¹.
9. The guide is divided into five chapters. The first chapter is devoted to the general framework that addresses the objectives and principles of documentation and the documentation of horizontal audit processes. Chapters two, three, and four discuss, respectively, the documentation of audit work in financial, performance, and compliance audits. The final chapter is devoted to the documentation requirements of supreme audit institutions with a judicial nature.
10. The guide will be subject to continuous updating, updating, and development as required by the development of documentation practices in Arab bodies, within three years of its dissemination to bodies in its final form and its publication on the organization's website. However, the Standards Committee may introduce some amendments to it prior to this deadline, when necessary, primarily to keep pace with emerging documentation requirements in the standards.

¹ The preparation of the guide went through the following stages and steps:

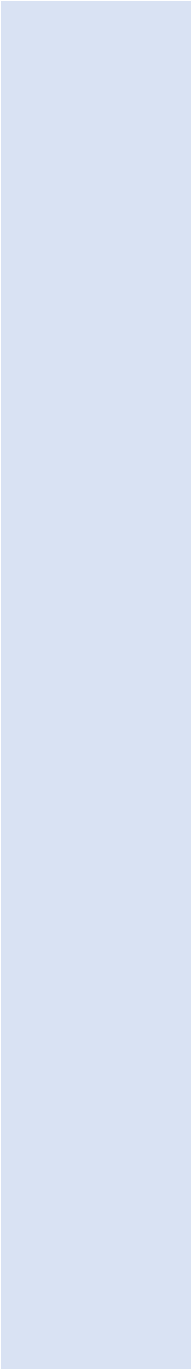
- Drafting of the guide by the relevant working group;
- Receive the views of the committee members and make the necessary amendments to the draft;
- Correspond with the devices and receive their comments and suggestions regarding the guide;
- Discuss the comments of the devices on the guide and make the necessary amendments to the version circulated to the devices;
- Adoption of the guide in its final form within the committee;
- Publish the guide on the organization's website.

Chapter 1:

The year Framework

I. Goals of documentation process

11. Adequate documentation is a necessary issue at all stages of oversight tasks, as it facilitates, on one hand, the planning process and preserves evidence, documents, and observations, thereby forming a source of information during the report drafting stage. On the other hand, it ensures organization and facilitates supervision and tracking or monitoring of the oversight process by another consultant, when necessary.
12. Proper documentation guarantees the quality of the audits conducted by the Supreme Audit Institutions, given that quality constitutes a capital of credibility and a trust equity that the institutions seek to achieve. An effective quality assurance system requires conducting concurrent or subsequent reviews of audit work to ensure compliance with established professional standards, including documentation requirements.
13. Documentation also serves as a means for institutions to advocate when building relationships with stakeholders who have direct or indirect authority to monitor the oversight body's performing its tasks. It enables these external parties to understand the overall oversight policy, the nature of the audit work carried out, its methodologies, and approaches taken to achieve the institution's vision and objectives.
14. For institutions of a judicial nature, documentation...
A significant role in securing the decisions of governing bodies, as their members express their opinions on every proposal made by the appointed advisors based on the documented evidence primarily, after reviewing the legal and factual basis of the remarks and criticisms. Documentation also contributes to the training and professional development of auditors and the enhancement of expertise and the overall maturity of the Supreme Audit Authority organizationally. Specific objectives regarding each audit task conducted by the auditing body include the following:
 - Facilitating the planning and execution of the oversight task;

- 
- Accurate presentation of the nature, goals, and scope of the oversight work performed;
 - Understanding the workflow of the audit process, its methodology, and the reasoning behind it;
 - Facilitating the understanding of the nature of the actions taken, their timing, scope, results, and the evidence obtained to support audit remarks and the underlying reasons for all significant aspects that necessitated the exercise of professional judgment and the related conclusions;
 - Ensuring the efficiency and proportionality that persuasive evidence must possess;
 - Identifying the effects of all actions that have been executed.

General documentation objectives	Specific documentation objectives
Quality assurance of regulatory work	Facilitating planning and completion of oversight tasks
Enhancing stakeholder confidence.	Presentation of the nature, objectives and scope of the audit work completed;
Securing the decisions of the governing body in judicial institutions.	facilitation Understanding the process of monitoring, its methodology, logic, the nature of the procedures implemented, their timing, scope and results
Professional training and development	Support the sufficient nature of the convincing evidence;
Enhance organizational experience and maturity.	Determine the effects of all processes. Which has been implemented.

Table No. 1: General and specific objectives of documentation.

II. Nature and characteristics of audit documents

15. Includes documentation the important at the Control of all information media collected or produced throughout path Audit work (before, during and after the implementation of the audit mission). And form and Documents Auditing is a direct link between the audit objectives on the one hand and the procedures undertaken on the other hand; Its nature, then, depends on the stage of auditing to which it is associated. And in this regard, for example, It could be:
 - Relevant to the risks identified and how they were addressed;
 - Relating to a professional judgment or decision taken by the audit team;

- a basis for justifying an observation or conclusion;
- Documents to justify commitment to public policy to Device monitoring and standards.

III. Requirements documentation in accordance with national laws and regulations

16. Supreme Audit Institutions find, when performing her duties, Same thing Student to complete A set of requirements Documentation is in accordance with national laws and regulations. The updated laws for the agencies and their regulatory texts Text on Rulers and procedures to Directs oversight assignments and establishes principles that ensure oversight is conducted according to specific standards.
17. In this regard, for example, supreme audit institutions of a judicial nature constitute special cases where this type of institution must:
 - It defines the rules of evidence, their scope and classifies the means of Stability and additional requirements for document retention;
 - Investigations are conducted in writing, including requests for information and inquiries;
 - Documents aspects relating to liability for acts of non-compliance and the limitation period.

IV. Requirements documentation in International Standards for Supreme Audit Institutions

18. International standards, at all levels, devote significant space to the issue of documenting audit work. Whether it concerns strategic, organizational, or operational aspects, it provides...INTOSAI Professional Publications Framework Including standards ISSAI for Hardware General Guidelines and Precise Requirements in the Audit Trail.
19. The table provides Number 2 Below is a general classification of documentation requirements within the

framework of INTOSAI professional publications according to the levels of the latter (publications):

Standard level	Examples of areas covered by professional editions	Examples of standards
General horizontal strategies	- Documenting work related to the Authority's strategic planning and operational plans and their reviews. - Documentation aspects related to the quality assurance system; - Documenting specific control policies (prevention of corruption and bribery, etc.);	INTOSAI P20 3200 ISSAI GUID 5270
General policy for determining documentation requirements	- Determine the rules of evidence, the form, content and extent of documentation for all completed work; - Establish formal procedures for document retention; - Special and additional requirements related to the confidentiality of information and documents, their classifications and storage methods. - Procedures for dealing with confidentiality of information; - Download the General Policy for Documentation at the Authority (Professional Guides; Auditors' Commitment to Ethical Requirements;	ISSAI 100 200ISSAI 140ISSAI ISSAI130

	- External auditors and experts are subject to the documentation policy in force in the Authority...)	
Practical and procedural paths for controls	- Documenting the various stages of financial, performance and compliance control (programming, planning, implementation, completion, review, reporting and tracking).	List of criteria ISSAI Levels 3 and 4
Special requirements	- Documentation requirements for judicial devices	2230ISSAI 4000ISSAI INTOSAI P50

Table No. 2: Classification of documentation requirements in INTOSAI Professional Publications Framework.

V. Principles General Authority for Documenting Control Procedures

Mandatory

**Sufficiency, detail
and
comprehensiveness**

**Professional
judgment
consistent with the
agency's policy**

**relevance and
proportionality**

20. Authentication control procedures are a set of general principles, including obligation, sufficiency, detail, comprehensiveness, professional judgment consistent with the Authority's policy, relevance, proportionality, reliability, effectiveness, and efficiency.
21. Documentation should be a formal requirement, as it must be stipulated in general policies, professional manuals, and quality control standards. Evaluation of auditors' work should, among other things, be based on ensuring compliance with documentation standards and imposing consequences for non-compliance.
22. The documentation requirements set by the bodies must be detailed and comprehensive, such that auditors are required to support their observations with information and documents "in a complete and detailed manner.")ISA 3000/86(«.
23. It is done Assessing the adequacy of the measure by considering the amount of information collected, meaning that from the amount of information available, a reasonable person can be convinced that the observations and conclusions related to the monitoring are correct and that the recommendations are valid..
24. Although the nature and quantity (volume) of audit documentation in a particular engagement is largely based onEI have professional judgment related to the specific circumstances of each audit engagement, butThe auditor is generally expected to adhere to the agency's policy in this regard and to professional standards.In a waygeneral.

**Reliability,
effectiveness and
efficiency**

25. Documenting some aspects of the audit remains more sensitive to the issue of professional judgment, such as:
- Documentation Professional judgments regarding the auditor's determination of key audit matters or the auditor's determination that there are no key audit matters to report when ISA 701 applies.2230ISSAI);
 - Document of rulings Professionalism regarding the auditor's conclusions about the authenticity of a document when performing additional verification;
 - Documenting professional judgments is the basis for the auditor's conclusion about the reasonableness of areas of personal judgment (such as the reasonableness of significant accounting estimates - 2230 ISSAI).
26. Conversely, the general documentation policy of the agency (and professional standards) should not prevent the audit team from adding to the file the documents it deems necessary to support the audit work...
27. He depends the validity of documentation depends on the quality of the elements it contains—that is, the extent to which they are, by their nature, logically and directly linked to the audit questions, criteria, and observations. In the absence of this logical link, the validity characteristic is lost, and the documentary support for the element in question should not be included among the documents supporting audit evidence.
28. In this regard, the suitability of the form and content of documentation to the nature of the audit mission depends on several factors, including:
- The size and complexity of the audited entity's activities;

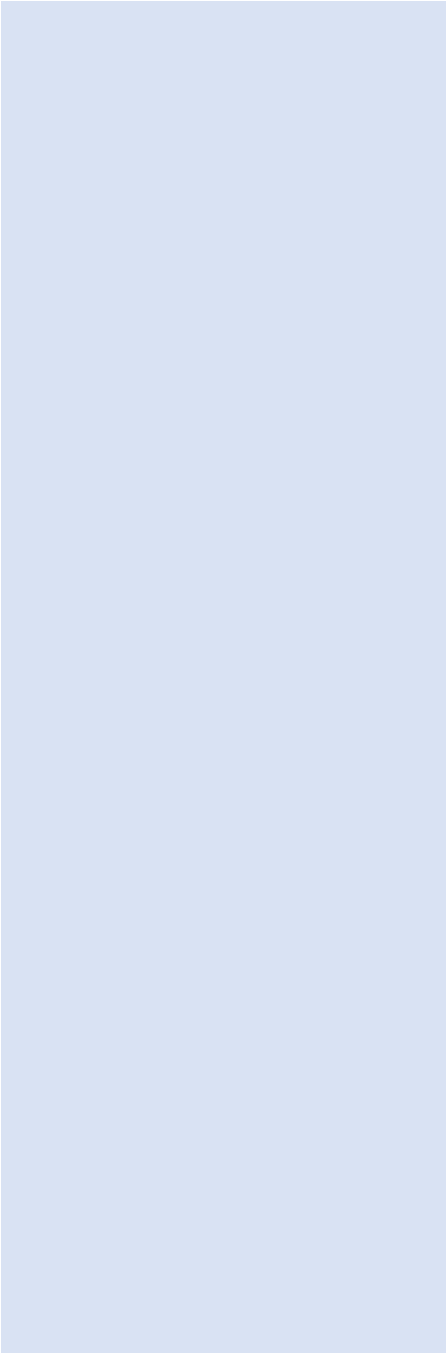
- The nature of the audit procedures to be implemented;
- Risks of material misstatement and significant uncertainties;
- The importance of the convincing evidence obtained;
- The nature and extent of the recorded distortions;
- Auditing methods and means used in it.

29. The process of documenting audit work should be reliable, effective and efficient.

30. Depends the degree of reliability of the elements used to document an audit assignment depends on their quality, source, nature, and the specific circumstances under which they were collected. In this regard, documentation elements are considered convincing and reliable if the same evidence is obtained through repeated testing or if the information obtained is derived from different sources.

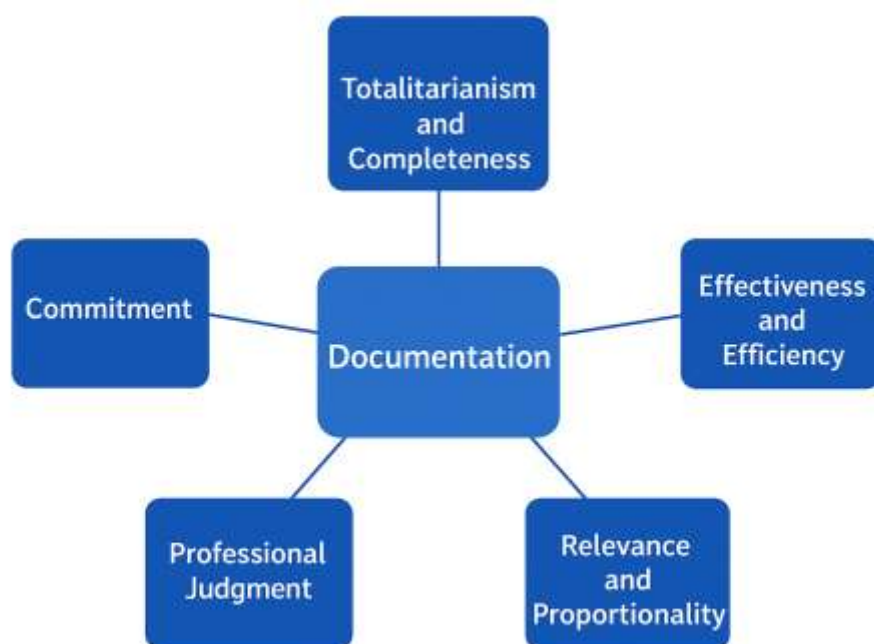
31. On another level, the effectiveness and efficiency of documentation is one of the determinants of the overall efficiency and effectiveness of the audit. To achieve this, it must meet a set of conditions and follow best practices, including:

- The documentation should have a clear theme that enables the audit stages, objectives and subject of each of its procedures to be described;
- To accurately identify all sources of documents obtained (internal or external from third parties);
- To accurately determine the conclusions and results derived from convincing evidence and evidence at all stages of the audit;
- The scope of the audit should be sufficient to enable an experienced



auditor with no prior knowledge of the audit assignment to understand the relationship between the audit subject matter, the criteria, the scope of the audit, the risk assessment and the strategy. And the audit plan, the nature, timing, and extent of the procedures implemented, their results, the evidence obtained, and the arguments on which they are based, all significant matters that required the exercise of professional judgment, and relevant conclusions.;

- The nature of the documentation must be appropriate. For example, internal control assessment documentation should include a documentary review and examinations related to ensuring the proper functioning and effectiveness of controls, as well as detailed examinations, including the identification of the audited elements, their sources, and selection criteria. Similarly, audit documentation related to contracts or understandings with a financial impact should include analytical summaries and copies of those contracts.
- To respect the expected program for documenting each stage of the audit. Obtaining the convincing evidence and review it, must be done before the audit report is completed.



Leaflet No. 1: Principles of documenting audit work.

VI. Level Strategic and general policies for documentation

32. The strategic level and general documentation policies include various horizontal procedures and measures that govern the documentation of control procedures at all stages, the activation of which will ensure a common minimum level of compliance with documentation standards within the agency.

1. Strategic Level

33. Strategic planning is one of the most important management processes of the Supreme Audit Institution. Regardless of the different approaches to its preparation, the strategic plan, along with all the pre-preparation and subsequent work aimed at effective suitable documentation topic¹.
34. The operational plans of the Supreme Audit Institution, which cover audit topics for one year or more and are derived from strategic planning, must also be

¹ INTOSAI P20.

documented.¹It also documents all reviews of operational plans (given the changing nature of the public sector and changing priorities in public policies).

35. The specific control policies adopted by the agency should also be appropriately documented. For example, the standard states: GUID 5270 states that with regard to auditing the prevention of corruption and bribery, the Authority shall establish and document a reporting policy that includes specific procedures and measures (concerning the collection of information, verification of data, assessment of the validity and integrity of information, final approval by the competent authorities, and publication of reports).

2. General documentation policies

Documentation Requirements Policy

36. The general policies for documenting the supervisory work of the higher bodies include various paths, procedures and measures that aim to determine the documentation requirements and the effective implementation of the obligation to respect those requirements, including the establishment of practical regulations and anchoring quality control.

37. Defining documentation requirements is the starting point for any policy in this field. The Supreme Audit Institution must have clear standards and requirements for documentation and must specify the form, content, and extent of documentation for all work it performs.²It must also establish specific standards regarding the rules of evidence.¹⁴⁰ ISSAI) and formal procedures for retaining documents that are consistent with the laws and regulatory standards adopted by it, as they specify the scope of retention, the unit in which the documents are kept, their duration, and how to access them when necessary.³.

¹ 3200 ISSAI.

²ISSAI 100 and ISSAI 200.

³ 130 ISSAI.

**Activating the
general
documentation
policy**

38. On the other hand, the device should have a documentation vigilance system that ensures identification of special and emerging requirements that the institution must respect them, especially those related to the confidentiality of information and documents, their classifications, methods of storing them, and procedures for dealing with confidential information (these policies specify the types of documents, responsibilities, procedures, and making them available, when necessary, to those authorized to do so)¹.
39. It is not enough for the device to have declared policies regarding the various aspects of documentation management, but it must also activate all requirements in this regard are met in order to achieve the desired effect of documentation.
40. First, the officially approved professional guidelines for conducting various audits within the agency must include explicit and clear requirements for documentation at various stages of the audit process.
41. The agency should also have a policy and procedures to ensure that auditors comply with officially approved documentation requirements as well as ethical requirements to maintain the confidentiality of information contained in audit documents at all times.²
42. The Authority shall establish policies and procedures that ensure that the external auditors and experts it contracts are subject to the same documentation policy in force within the Authority.³.

¹ 130ISSAI.

² INTOSAI P12

³ 140ISSAI

Organizational aspects

43. Whenever necessary, the Supreme Audit Institution shall establish a unit entrusted with developing best practices for documentation within the institution, including conducting information vigilance to identify emerging documentation requirements, monitoring compliance with the requirements set by the institution, and evaluating the practical processes for documenting audit work procedures.
44. In judicial institutions, it is incurred the clerkship's offices document all judicial procedures and proceedings. They ensure the tracking of case filings, investigations, and the work of agencies, and they ensure the preservation of documents related to audit files.

Aspects Related to quality assurance

45. Quality control consists of the totality of measures taken and procedures adopted during the audit engagement and related reports. According to INTOSAI Principles 12 and 20 and the standard140 ISSAI The Supreme Audit Institution shall have a formal, integrated and comprehensive quality assurance system within the institution.
46. Documentation is considered one of the basic determinants. For quality, the Supreme Audit Institutions are keen to ensure that their quality assurance system addresses the extent to which the Supreme Audit Institution's management is able to ensure compliance with the officially approved documentation requirements.
47. In this regard, this system enables all control work to be subject to appropriate supervision and monitoring that accompanies the work of auditors throughout the control mission and ensures, among other things, the comprehensiveness of the documentation of control work (ISSAI 140). Among the things that an engagement quality control review should include is ensuring that the procedural process for monitoring is adequately documented on a regular and systematic basis at the conclusion of

the planning and implementation phases and during the final phase of work.

48. On the other hand, in the context of activating the quality assurance system, the supreme audit bodies must ensure that the audit work they carry out is subject to an internal or external post-audit on an occasional basis, which includes, among other things, the audit documentation process.¹.
49. According to the guidelines of the standard ISSAI 140 The results of quality control reviews, both concurrent and post-consecutive, must be reported to senior management to provide them with the necessary elements to take corrective action.
50. It happens that agencies resort to external parties to carry out audit activities for reasons including the complexity of the audit field and the lack of internal technical expertise. Whenever they do so, they must ensure that the contracted companies have effective quality systems in place for documentation and overall quality control.²In the same context, the documents supporting the control work constitute an important asset for the agency, and it must ensure that they are always its property, especially those that support the work carried out by an external party if the Supervisor work is carried out by contracting with it³.

¹ ISSAI 140.

² ISSAI140.

³ ISSAI140.

Chapter 2

Documentation of procedures in financial supervision

Introduction

51. The emergence of international auditing standards and the subsequent INTOSAI standards for financial control that are consistent with them (with an appendix to each standard to suit the audit of public sector units) and which were adopted by the supreme audit institutions (SAIs) obligated auditors to meet the requirements of the standards. However, the auditing standards indicated the auditing approach that must be followed in carrying out the auditing tasks (which is the auditing approach based on the concept of risk) without mentioning it explicitly, as they obligated auditors to assess the various risks without specifying the mechanisms for measuring those risks. The standards also addressed some concepts such as relative importance and samples without establishing mechanisms for their application, which led to differences in the application of those concepts among auditors. The Arab Organization for Financial and Accounting Supervision (ARABOSAI) had previously adopted the Financial Control Guide with the aim of guiding the auditors of the supreme audit institutions in unifying the performance of their auditors. To complete this work, the Standards Committee of the organization prepared a complementary project represented by the Arab Guide for Financial Control Documentation.
52. It is worth noting that this guide is suitable for the financial audit of units that apply an accrual accounting framework. The organization is also in the process of providing separate documentation guides for both compliance and performance audits.
53. Given the differences in laws governing auditing in Arab countries, additional legal requirements must be considered in each country. However, in general, these requirements will be minimal and will not hinder the use of this guide across all ARABOSAI member states. This guide can assist these countries in developing their own documentation guides that incorporate legal considerations.

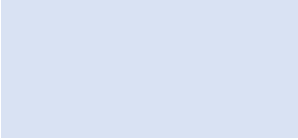
**Commitment
to
documentation**

54. INTOSAI Standard No. (2230) is required¹The financial auditor prepares audit documents - in a timely manner - that provide the following:
- A sufficient and appropriate record as a basis for preparing his report;
 - Providing evidence that the audit process was conducted in accordance with the requirements of auditing standards and that the requirements of relevant laws and regulations were taken into account.

**The
importance of
documentation**

55. The importance of documentation is evident in the following:
- Adequate, appropriate and timely audit documentation helps the auditor improve the quality of audit performance.
 - Assisting the audit team in planning and performing the audit process.
 - Assist the audit team members responsible for supervision in directing and supervising the work team and performing their audit responsibilities in accordance with the requirements of INTOSAI Standard No. (2220) "Quality Control for Financial Statement Audit Procedures."
 - Enabling the audit team to carry out its work within the framework of responsibility.
 - Facilitates the effective examination and evaluation of audit evidence obtained and the assessment of the results reached before the auditor's report is finalized.
 - Maintain a permanent file of significant data for future audit purposes.
 - Enabling quality audit teams to conduct quality control over the performance of the audit process in accordance with INTOSAI Standard (2220) "Quality Control for Financial Statement Audit Procedures".

¹INTOSAI Standard No. 2230, "Control Documentation".

- 
- Enable the expert auditor to conduct external examinations in accordance with legal, regulatory and other relevant requirements.

Types of documentation files¹:



56. Documentation file types are divided into:

¹Arab Organization of Supreme Audit Institutions (ARABOSAI), Professional Standards Committee, Financial Audit Guide for Supreme Audit Institutions of Economic Public Sector Units, 2020, pp. 8-10.

[1]
Permanent file :

57. It contains papers related to the unit from its inception until the end of its life and is generally stable between different financial periods or changes in it occur over relatively long periods and are needed by auditors and audit teams in different periods. Therefore, when the facility's audit process is assigned for the first time, permanent files are opened and their contents are completed to help in carrying out the process of planning for audit tasks and are generally represented in the following:

58. The file is divided into the following parts:

- Articles of association, decisions, laws, regulations, instructions and data related to the entity being audited.

A-Articles of incorporation, a statement of the founders, and minutes of the first general assembly meeting of the establishment.

for- Copy of commercial register and tax card.

C- Subscription prospectus and unit registration papers in the stock market.

D- The facility's articles of association and its governing regulations.

e- The laws regulating the work of the entity being audited and any amendments that may be made to them.

and- Resolutions of the General Assembly and the Board of Directors, or excerpts thereof, which have a long-term impact.

Z-Organizational structure, powers and decisions appointing executive management.

H- Important contracts and agreements that extend for more than one year.

T-Loans that extend over more than one financial period.

Y-Historical data on some accounting matters such as provision estimates and the movement of doubtful debts.

your- Copies of the final financial statements for previous years and their audit reports.

- Any other data that the auditor obtains and that is of a permanent nature, and it must be confirmed at the beginning of each financial period that it is continuous and does not require any amendments, for example: -

A-Description of the nature of the work of the entity being audited.

for- Internal control system file of the entity being audited.

- C- A list of the names of responsible employees, their signatures, decisions issued regarding the powers granted to them, and points of contact with them.
- D- Audit programs.
- E - Copies of correspondence and reports related to the audit and the management's responses thereto.

[2] Current file :

59. This file contains data related to the audit of the financial period, whether in the preliminary stage, the planning stage, the implementation stage, or the reporting stage. The current file is divided according to the sequence of financial data to facilitate reference to the file. The division as follows :
- A- The decision to assign the audit of the entity being audited to the auditor and his team.
 - for-Images of declarations related to the requirements of the Code of Ethics and Professional Conduct of the work team.
 - C- Letters of understanding and representation sent to the facility and responses thereto.

- D- Papers related to understanding the environment of the entity being audited, analytical procedures in the planning phase, identifying overall risks, measuring and evaluating control risks and inherent risks, and determining the sample size in light of these and any modifications to them and their reasons.
- e- Measuring relative importance, distributing samples, any modifications thereto, and their reasons.
- and- The audit plan (programme) for the current year and any amendments thereto and their reasons.
- Z- The preliminary financial statements submitted by the audited entity and the final financial statements.
- H- Control testing and verification testing programs.
- i- Audit evidence obtained during the audit period and discussions held regarding it.
- J- Management certificates, approvals, and correspondence with the management of the audited entity and those responsible for governance in the audited entity.
- K- Questionnaires, correspondence and discussions on important topics with management and others.
- to- Images of important documents that the auditor deems important to keep.
- M- Management report sent to the facility, detailed reports and responses thereto
- N- Evaluating audit results, the conclusions based on them, and the analytical procedures for those results.
- Q- The final financial statements of the entity subject to audit after making any amendments to them.
- A- The final audit report after it has been approved by the auditor and senior management of the Supreme Audit Institution.
- F- A list of the branches of the entity being audited and their addresses.

The following should be used when preparing the current file:

- i. Coding (linking financial statement items to worksheets and testing software)
 - ii. Audit Marks: Audit marks should be placed to help in analyzing these papers.
60. (Record reports of each team member)

- This record aims to collect the reports of the working group members, which include the most important conclusions.

Auditing of team members.

- The conclusions contained in the working group reports are noted as having been reviewed.

Documentation considerations:

61. Audit documentation may be in paper form, electronically, or otherwise. Examples of audit documentation include: audit programs, analyses, memoranda related to issues, summaries of significant matters, letters of confirmation and acknowledgment, checklists, and correspondence regarding significant matters.
62. Documenting audit work provides evidence that the audit meets the requirements of auditing standards. However, it is neither necessary nor practical for the auditor to document every matter considered or every professional judgment made in the audit. Nor is it necessary for the auditor to separately document compliance with matters that appear to be complied with in the documents included in the audit file.
63. The extent of professional judgment exercised during the performance of audit work and the evaluation of the results are important factors in determining the form, content, and extent of documentation of significant audit matters. Documenting professional judgments, when significant, helps explain the auditor's conclusions and enhances the quality of professional judgment. Such matters are of particular importance to those responsible for reviewing audit documentation, including those conducting subsequent audits when examining matters of lasting significance.
64. The auditor should prepare audit documentation in a manner that enables an experienced auditor with no prior experience in the audit process to understand the significant issues arising from the audit, the conclusions arising from it, and the significant professional judgments leading to those conclusions.

65. A summary (sometimes called a completion memorandum) is prepared and retained as part of the audit documentation. It describes the matters identified during the audit and how they were addressed, or includes references to other relevant supporting documents from the audit documentation that provide such information. Such a summary facilitates efficient and effective examination and investigation, particularly in large and complex audits. In addition, preparing such a summary may assist the auditor in considering significant matters. It may also help determine whether, in light of the audit procedures performed and the conclusions reached, there is an objective for any particular relevant audit standard that the auditor has not been able to achieve, which may prevent the auditor from achieving its overall objectives.
66. Documentation includes records prepared by the auditor, other records such as minutes of meetings prepared by the entity's employees and approved by the auditor, and other persons with whom the auditor may discuss important matters include other employees of the entity and external parties such as persons providing professional advice to the entity.
67. Audit documentation is less extensive in smaller entities than in larger entities. Furthermore, if the head of the audit team performs all of the audit work, the documentation will not include matters that may have been documented solely to inform or direct members of the engagement team, or to provide evidence of the review performed by other team members. However, the head of the audit team must comply with the basic requirement of preparing audit documentation that can be understood by an experienced auditor, as the audit documentation may be subject to review by external parties for regulatory or other purposes.
68. When documenting audit work, a smaller entity auditor may find it more useful and efficient to record various aspects of the audit together in a single document, adding references to supporting working papers, where appropriate. Examples of matters that may be documented together when auditing a smaller entity include an understanding of the entity and its internal controls, the overall audit strategy and audit plan, identified materiality, assessed risks, significant matters observed during the audit, and conclusions reached.

- 69. The auditor may find it necessary to amend existing audit documentation or add new audit documentation due to comments received during follow-up investigations conducted by internal or external parties.
- 70. The time period normally considered appropriate and sufficient to complete the process of compiling the final audit file in accordance with quality control requirements does not exceed 60 days after the date of the audit report. It should be noted that audits may require a longer time, perhaps as a result of formal consultative procedures with the audited entity or with other parties. However, these procedures do not prevent the timely compilation of the final audit file.
- 71. The retention period for audit documents is usually not less than five years from the date of the auditor's report, and there may be requirements stipulating that audit documents be retained for longer or shorter periods.
- 72. If the auditor identifies information that conflicts with the conclusions reached regarding a significant matter, the auditor must document how the conflict was addressed in forming the auditor's final conclusion.
- 73. In exceptional cases where the auditor deems it necessary to deviate from a fundamental principle or necessary procedure, he must document the reasons for non-compliance and document the alternative procedures implemented and how they contributed to achieving the audit objective.
- 74. Completing the final audit file after the date of the audit report is an administrative process that does not involve implementing new audit procedures or arriving at a new conclusion, but may include changes such as: disposing of documents and replacing them with others, classifying, examining, and numbering the audit papers, documenting the audit evidence obtained and discussing and agreeing on it with the audit team members before the date of the auditor's report.

Section One: Documenting the Preliminary Work for the Audit Assignment

75. Preliminary work for the audit process, other than starting the documentation process (opening files), includes the following:¹:

First: Fulfilling the requirements of professional ethics and conduct.

Second: Preparing the letter of understanding.

First: Documenting compliance with professional ethics and conduct requirements:¹:

76. The Code of Professional Ethics and Conduct includes a set of basic principles of ethics and conduct necessary to achieve the objectives of the accounting and auditing profession. However, these principles face threats in various circumstances. To avoid many of these threats, some rules have been established at the level of audit institutions, such as establishing a policy for transfers between different departments in the supervisory body. Among these policies are forms and declarations that the audit team must complete before starting the audit tasks, including the following:

- Data of the entity being audited.
- Audit mission statement.
- Pledge to adhere to independence and the absence of conflicts of interest in accordance with the approved Code of Ethics and Conduct for the Accounting and Auditing Profession.

Documenting access to audit documents, taking into account confidentiality requirements

77. While INTOSAI 2230, “Audit Documentation,” does not address the issues of confidentiality, security, preservation, integrity, accessibility, and retrieval of engagement documents, INTOSAI 2220, “Quality Control for the Conduct of Financial Statement Audits,” addresses these issues in the context of the audit body’s

¹Arab Organization of Supreme Audit Institutions (ARABOSAI), Professional Standards Committee, Financial Audit Guide for Supreme Audit Institutions of Economic Public Sector Units, op. cit.

responsibilities. It also stipulates that relevant ethical requirements require that SAI staff maintain the confidentiality of information contained in audit engagement documents at all times, unless the audited body has been granted special authority to disclose this information, or if there is a legal or professional duty to do so.

78. Balancing confidentiality and transparency requires professional judgment to ensure that confidential documents are clearly identified and processed accordingly, while allowing access to them when necessary. Therefore, it is essential to consult the Supreme Audit Institution's policies and procedures that address confidentiality. These procedures may include the types of engagement documents that should be considered confidential and those that should be made publicly available. They also include a clear definition of the limits of responsibility for authorizing disclosure of audit documents, in addition to the standard procedures for providing such information when necessary.
79. In cases where the public sector auditor intends to grant access to audit documents, they typically consult with relevant parties before disclosing those documents. In such cases, the public sector auditor must ensure that the parties granted access to the documents adhere to the same level of confidentiality as the public sector auditor.

Second: Documenting the letter of understanding:

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80. According to the standard¹ ISSAI 2210 “Agreeing on the Terms of an Audit Engagement” is an audit practice more in line with private sector requirements, where auditors should assess certain conditions before accepting an engagement, and based on that assessment, the auditor either accepts or declines the audit engagement.
81. Laws and regulations typically require supreme audit institutions to conduct a range of audit engagements, and a public sector auditor will likely not have the option to decline or withdraw from an audit engagement.
82. The purpose of performing understanding activities is to help ensure that the auditor has considered any events or conditions that may adversely affect the auditor's ability to plan and perform the audit engagement to reduce audit risk to an acceptably low level.
83. The Letter of Understanding (LOI) informs the auditee of its responsibilities for preparing financial statements in accordance with the applicable financial reporting framework, including fair presentation, where relevant, establishing the internal controls that management believes are necessary to prepare financial statements that are free from material misstatement, and providing the auditors with access to information and individuals within the entity and any additional information the auditors request. The auditors ensure that these requirements are specified in the audit engagement letter and explained to management during the inaugural audit engagement meeting.
84. Although the terms of the audit tasks performed by the Supreme Audit Institution are in accordance with the provisions of a general mandate (legal provisions) and are therefore not subject to requests from or agreements with the entities subject to audit, a letter of understanding is useful in establishing a common and formal understanding of the roles and responsibilities of both the management of the entity subject to audit and the Supreme Audit Institution.

¹INTOSAI Standard No. 2210 “Agreement on the Terms of Engagement”.

Facility
Understanding
Considerations

85. The audit engagement letter serves the interests of both the entity and the auditor by avoiding any misunderstanding of the required engagement. This includes documenting that certain preconditions exist regarding the audit process, which are the responsibility of management or those responsible for governance. The engagement letter documents the objective and scope of the audit process, the auditor's limits and responsibilities towards the entity, and the form of the reports to be issued. It is preferable to do this before commencing the audit process.
86. For recurring audits, the auditor documents whether circumstances require a review of the terms of the engagement and whether there is a need to remind the subject entity of the terms of the current engagement, noting that he should not agree to change the terms of the engagement if there are no reasonable justifications for this change in light of the powers of the Supreme Audit Institution, and documents the change in the terms of the engagement and its reasons.
87. The terms of engagement for audits should document the applicable financial reporting framework..
88. The financial reporting framework is often documented by laws and regulations. The auditor should not accept the task of auditing financial statements unless he concludes that the financial reporting framework adopted by management is acceptable. If the auditor finds that the framework specified by the law and regulations is not acceptable, he must document the following::
- Inform the competent authority.
 - Influencing the standard-setting process by professional or regulatory bodies.
 - Taking into account the responsibilities of management and those charged with governance.
89. The auditor or assessor must document the conclusion reached regarding the assessment of the acceptability of the financial reporting framework using the Audit Working Paper form. So that it can record the risks that may lead to material misstatements in the financial

statements that may be identified during the assessment of the acceptability of the financial reporting framework.

90. Acceptance of the assignment, continuation of client relationships, and some specific audit assignments include studying and documenting the following::

- Integrity of rights holders, senior management, and those responsible for governance.
- Whether the team is qualified to conduct the audit and has the necessary time and resources.
- Possibility of commitmentThe deviceThe team meets ethical and behavioral requirements..

91. If issues arise regarding any of these considerations, the working group will conduct appropriate consultations and document how these issues were resolved..

If the person in charge of the assignment comes to know information that, had it been available earlier, would have enabled the Supreme Audit Institution to make decisions regarding the audit, he must immediately inform the latter of this information so that the necessary action can be taken.

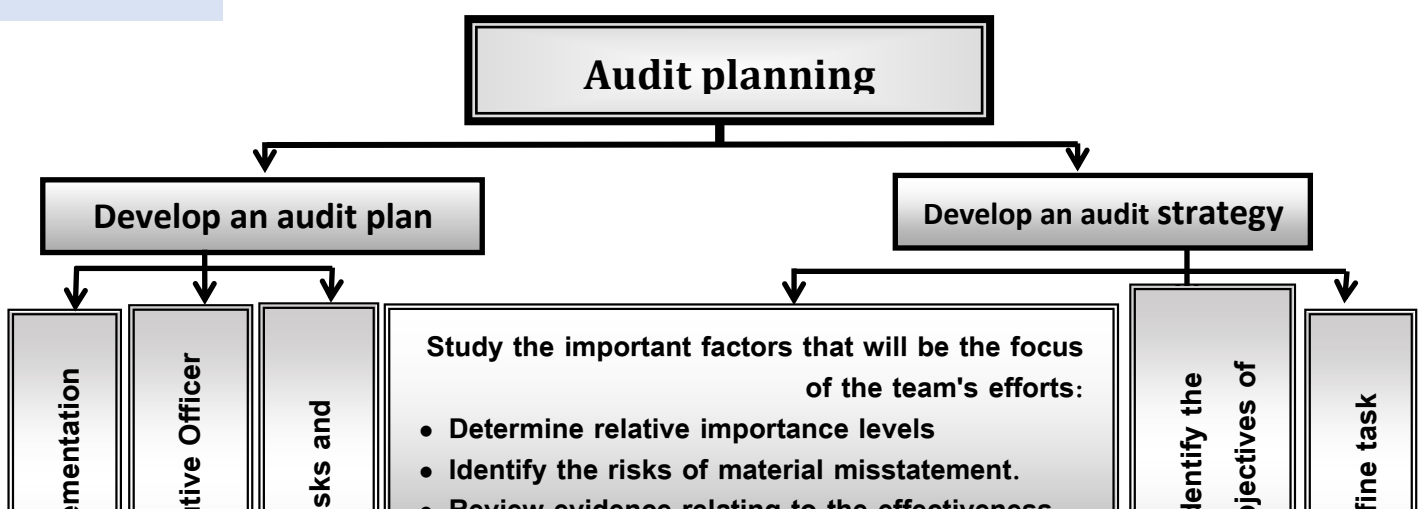
2-Section Two: Documenting the Audit Mission Planning

92. Planning activities are divided into two main sections:

[1] Develop the overall audit strategy by identifying the entity to be audited and initially identifying audit risks.

[2] Develop a review plan for the audit process to reduce audit risk to an acceptable low level.

The following figure shows the number:2Control planning activities:



2/1: Planning Phase Documentation Considerations

- 93. The auditor should document the overall audit strategy and audit plan, as well as any significant changes made during the audit process...
- 94. Documenting the overall audit strategy records the key decisions needed to plan the audit well and communicate important matters to the team.
- 95. The auditor may summarize the overall audit strategy in the form of a memorandum containing key decisions regarding the overall scope, timing, and performance of the audit..
- 96. The auditor's documentation of the audit plan shall be sufficient to demonstrate the nature, timing and extent of the planned risk assessment procedures and additional audit procedures at the assertion level for each significant class of transactions, account balances and disclosures to address the assessed risks.
- 97. The auditor may use standard audit programs or an audit completion checklist. However, when such standard programs or checklists are used, the auditor uses them in an appropriate manner that reflects the specific circumstances of the audit..
- 98. The auditor's documentation of any significant changes to the overall audit strategy and the original detailed audit plan includes the reasons for the significant changes and the auditor's response to the events, conditions, or results of audit procedures that caused these changes.
- 99. The auditor may change the overall audit strategy and audit plan significantly as a result of a significant change in the business or as a result of identifying a material misstatement in the financial statements.
- 100. Recording significant changes to the overall audit strategy and audit plan and the resulting changes to the nature, timing and extent of planned audit procedures illustrates the overall strategy and audit plan ultimately adopted for the audit and demonstrates the appropriate response to significant changes occurring during the audit...
- 101. The shape and length depend onIDocumentation depends on many things, such as the size and complexity of the facility, relative importance, the extent of

documentation, and the specific circumstances of the audit, including:

- Any significant topics (such as the application of accounting principles, auditing standards, and reporting standards) and how these impact the overall audit strategy and audit plan.
- Audit procedures planned to obtain sufficient appropriate audit evidence regarding the beginning balances.
- Assigning a working team of employees from the Bureau with the appropriate capabilities and competencies to address the expected significant risks.
- Other procedures required by the quality control system of the Supreme Audit Institution for first-time audits.

2/2: Documenting the identification of the mission characteristics:

A- Identifying the organizational structure of the unit

102. Ensure that the organizational structure of the unit subject to audit is documented and included in the permanent file.
103. Documenting the management's request for a statement of any changes made to the organizational structure and the responses of the entity subject to oversight, and including it in the permanent file.
104. Documenting the study of the organizational structure, the changes that have occurred, and the expected impact on the audit process, as well as the work team's discussions and comments on them, and including them in the current and permanent files.

B- Documenting the study of previous financial statements:

105. When planning an audit, the financial statements for the financial period under audit have not yet been issued. Therefore, the audit team studies the previous financial statements, the financial statements auditors' reports on them, and the budgets prepared by the entity under audit for the upcoming period and the budgets. On previous years and comparing them with the final statements to determine the degree of reliance on the budgets of the entity being audited and the use of analytical procedures and quarterly financial positions if found (whether audited or unaudited) in developing a projection of the expected financial statements for the period under audit using analytical procedures.

- 106. The audit team should document the financial ratio analyses extracted from the previous financial statements and its conclusions therefrom.
- 107. The audit team should document the analytical procedures it performed on the previous financial statements, whether horizontal analysis of the statements or vertical analysis of the statements, and its conclusions therefrom.
- 108. The audit team should document its analysis of the relationship between previous budgets and their actual statements, determine the effectiveness of the budgets, and determine the extent to which it relies on budgets for current periods.
- 109. The audit team should document the estimated financial statements prepared by it in light of the previous procedures and which will be used in assessing relative importance.

2/3: Documenting communication with those responsible for governance and identifying the objectives and deadlines of special reports.

- 110. If the audit assignment includes some related tasks, such as limited review of the interim financial statements of the audited entity, as well as reviewing the tax returns of the entity subject to audit, and any other tasks required by the assignment process that may be requested by the management of the entity subject to audit or those responsible for its governance and that are consistent with the directive issued by the Authority to assign the audit process or the regulatory directives in the Authority.
- 111. The auditor should document the study of the required reports and the dates of communications with the management of the audited entity and those responsible for its governance.

2/4: Document the important factors that will be the focus of the team's efforts.

- 112. Documenting the required degree of confidence against which the overall acceptable audit risks are determined, as this complements the degree of confidence.

113. Documenting its measurement of inherent and control risks, the models used to make this assessment, and the degree of confidence assigned to the various items.¹
114. Documenting his measurement of the relative importance of each of the financial statements and their items in light of the estimated statements and the degree of confidence and determining the relative importance of performance².
115. Documenting his determination of the sample size and its distribution across financial statement items³.

2/5: Documenting the review plan:

116. Documenting the audit plan, which includes the following:
 - * A description of the nature, timing, and extent of the risk assessment procedures that have been planned and are sufficient to assess the risk of material misstatement as determined under Auditing Standard No. (2315) "Understanding the Audited Entity and Its Environment and Assessing the Risks of Material Misstatement."
 - * A description of the nature, timing and extent of additional audit procedures planned at the assertion level for each class of transactions, account balances or significant and material disclosures as required by INTOSAI Standard No. 2330 "Auditor's Procedures to Address Assessed Risks". Planning for additional audit procedures reflects the auditor's decision regarding whether to test the operating effectiveness of controls and the nature and timing of planned substantive procedures.
 - * Other additional audit procedures such as those required to be performed for the audit process in order to comply with audit standards.
 - * The audit plan must include the tasks and supervisory programs within the group, the expected work team meetings, and the meetings expected to be held with the management of the audited entity and those responsible for its governance.

¹INTOSAI Standard 2315ISSAI "Identifying and Assessing the Risks of Material Misstatement by Understanding the Entity and its Environment"

²INTOSAI Standard 2320ISSIA "Materiality in Planning and Performing an Audit", International Standard on Auditing ISA 320

³International Standards of Supreme Audit Institutions, Standard 2530ISSAI, "Selection of Control Samples."

* The audit plan shall be approved by the auditor and the administrative and supervisory bodies of his work, and the quality control team shall be notified thereof, and each member of the audit team shall be given a statement of the tasks assigned to him and the instructions that must be followed during the examination process, as well as implementation programs for the items that he will adhere to during the examination process.

3- Section Three: Documenting the implementation of the audit process

3/1 Documenting the selection of audit samples¹:

117. The audit process begins with selecting audit samples, which may vary according to the nature of the item being tested. For items with a small number of operations, the audit team examines them completely to judge them, and the audit team must document this. As for items with a large number of operations, the method of selecting the sample is determined. Is it a random sample so that there is an equal opportunity for all items? Based on the determination of the sample size that was made in the planning stage, the first sample is selected randomly, and the remaining items to be examined are selected based on the interval that was determined between the sample items.
118. If the community of examining the item is characterized by a difference in its nature, whether in terms of values or nature, the sample community is divided into stratified communities, whether on the basis of values or on the basis of nature, and each stratum is chosen according to the nature of the stratum. As for the strata whose number of items is small, they may be examined completely. As for the strata whose number of items is large, the sample interval is determined, the first sample is chosen randomly, and the remaining items are chosen in light of the sample interval.
119. Whatever the sampling method, the selection method and the samples selected as a result of applying the selection method should be documented.

¹International Standards of Supreme Audit Institutions, Standard 2530ISSAI, "Selection of Control Samples."

3/2 Documentation of audit sample examination

120. The audit procedures and the audit evidence collected on the selected samples should be documented. The audit evidence used includes the documentary examination of the sample, the examination of its accounting direction and its recording in the books, and the extent of compliance with the internal control procedures designed for it. The audit evidence collected may also include a set of evidence obtained during or at the end of the financial periods, such as surprise inventories during the year or at the end of the financial period, as well as obtaining confirmations from external parties of their transaction balances, or certificates from government agencies, confirmations from the banks with which the entity deals, certificates of balances at the end of the period, and certificates and confirmations obtained from management.
121. The audit team should also document the analytical procedures used during the examination as evidence, identify the relationships and results obtained, and expand the examination based on them.

3/3 Considerations for documenting some inspection work

A- Considerations for documenting the examination of opening balances¹:

122. The auditor documents his examination of the opening balances of the financial statements and ensures that they match the closing balances of the previous year, and documents the settlements made by the entity after approval. Final review of the financial statements, their auditing, and their conformity with the amendments made by the accreditation authority to the statements. AN checks it completely.
123. When reviewing the financial statements for the first time, the auditor must obtain: Document appropriate review evidence that:
- The beginning balances do not contain misstatements that could materially affect the financial statements for the current period.

¹International Standards of Supreme Audit Institutions, Standard 2510ISSAI, "Preliminary Control Operations - Opening Balances."

**b-
Considerations
for documenting
external
confirmations
(authentications)**

¹:

- Previous year closing balances have been properly carried forward to the current year or adjusted if required.
 - Appropriate accounting policies are applied consistently and any changes in those policies are adequately and appropriately accounted for, disclosed and presented.
124. Document if the beginning balances contain errors that have a significant and significant impact on the financial statements for the current period, and inform management and request that it properly address the impact of this misstatement and adequately present and disclose it.
125. The auditor should document whether, the use of external confirmations is necessary to obtain sufficient appropriate audit evidence at the assertion level. The risk of material misstatement at the assertion level should be assessed and the audit evidence from other planned audit procedures determined how to reduce the risk of material misstatement at the assertion level to an acceptably low level.
126. When the auditor plans to obtain confirmation of certain balances or other information, and management requests the auditor not to do so, the auditor should document whether there are reasonable grounds for such a request, obtain audit evidence to support the validity of management's requests, and document the application of alternative audit procedures to obtain sufficient and appropriate audit evidence regarding the matter.
127. When performing authentication procedures, the auditor should document the planning for monitoring the process; select to whom sending requests and review the preparation and sending of authentication requests as well as responses to those requests.
128. If the auditor does not receive a positive response to a confirmation request, this should be documented, along with the performance of

¹INTOSAI 2505IASSA "External Assertions".

**C-
Considerations
for documenting
written
statements¹:**

alternative audit procedures, and the auditor should perform the alternative audit procedures.

129. When the auditor concludes that the confirmation process and alternative audit procedures have not provided sufficient appropriate audit evidence regarding a particular assertion, the auditor should plan to perform additional audit procedures to obtain sufficient appropriate audit evidence and document this.

130. The auditor must document management's acknowledgement of its responsibility for preparing the financial statements in accordance with the applicable financial reporting framework and that it hasAThese statements, as well as the disclosures about significant matters relating to the financial statements, are adopted, especially when it is not possible to obtain sufficient other audit evidence, which should include the following:

A- Recognizing its responsibility for designing and implementing internal controls to prevent and detect errors.

B- It believes that the effect of uncorrected financial statement misstatements, individually or in aggregate, discovered by the auditor during the audit is not significant to the financial statements as a whole, and the statement should include a summary of such items or be attached to management's written statements.

A- Recognizes its responsibility for designing and implementing internal controls to prevent and detect fraud.

B- Confirm the results of its assessment of the risk that the financial statements could be materially misstated as a result of fraud.

C- Disclosure of fraudulent acts or suspected fraudulent acts affecting the audited entity and related to:

- By management.

¹INTOSAI 2505IASSA "External Assertions".

D
Considerations
for documenting
the audit of
accounting
estimates¹

- With employees who play an important role in internal control.
- With others when fraudulent acts have a significant and significant impact on the financial statements.
- Disclosure of any allegations of fraud or suspected fraud affecting the entity's financial statements that are reported to it by employees, former employees, analysts, regulators, or others.

- 131. Accounting estimates are an approximate estimate of a monetary amount for some items in the financial statements in the absence of precise means to measure them accurately. Examples include estimating the productive life of fixed assets, depreciation, accrued revenues, deferred taxes, construction contract provisions, guarantee consideration, and fair value estimates.
- 132. Documenting the audit of estimates requires the following:
 - [1] Documenting the nature of the estimate and the required disclosures regarding it in accordance with the financial statement preparation framework.
 - [2] Documenting the understanding and evaluation of the management's approach to making these estimates and the data on which they are based.
 - [3] Documentation of the test of the mathematical operations involved in the estimation.
 - [4] Documenting the comparison of previous period estimates with the actual results of these estimates.
 - [5] Document the use of a neutral estimate to compare it with the estimate prepared by management.
 - [6] Documenting the examination of subsequent events that provide audit evidence about the reasonableness of the estimates.
 - [7] Documenting the final assessment of the reasonableness of the accounting estimate based on his experience with the facility and the industry,

¹ International Standards of Supreme Audit Institutions, Standard 2540ISSAI, "Accounting Estimates Oversight, Including Fair Value Accounting Estimates and Related Disclosures."

E
Considerations
for documenting
inventory
operations¹

and whether the estimate is consistent with other audit evidence he obtained during his review.

- 133. If inventory is a significant and influential item in the financial statements, the auditor should plan to obtain sufficient and convincing audit evidence regarding the existence and validity of inventory by supervising and documenting the physical inventory count and obtaining and examining the inventory records.
- 134. •If the auditor is unable to attend the inventory count on the scheduled date due to unforeseen circumstances, the auditor should plan to conduct the inventory count or observe the physical count on an alternative date. If necessary, the auditor should plan to perform special audit procedures related to transactions occurring between the two periods and document the results of his inventory count and his conclusions thereon.
- 135. •When a stocktaking is impractical due to factors such as the nature and location of the inventory, the auditor should document this and document the alternative procedures relied upon as sufficient and appropriate audit evidence regarding the existence and condition of the inventory to reach a conclusion that there is no need to indicate in his report the existence of a limitation on the scope of the audit resulting from the failure to attend the stocktaking.

- Considerations
for documenting
disputes and
claims²:

- 136. The audit team documents the request for the management of the audited entity to prepare a letter to the legal advisor, which is sent by the auditor. In it, the management of the audited entity requests the legal advisor to respond directly to the auditor regarding his testimony regarding the existence of legal disputes or not, and if so, the legal position of the entity and his opinion regarding them.
- 137. When lawsuits or claims are identified or the auditor believes they may exist, he must document direct

¹INTOSAI 2501 Standards IASSA "Control Evidence - Specific Considerations for Selected Items"

²INTOSAI 2501 Standards IASSA "Control Evidence - Specific Considerations for Selected Items"

- Considerations for documenting the use of the organization's services by the entity subject to the supervision¹:

- contact with the legal advisor of the audited entity to obtain a legal opinion on them.
138. The audit team may seek the assistance of a legal expert in this regard other than the entity's legal expert, and it must document this.
139. The audit team should document a study of how the auditee's use of the service facility affects the internal control system in order to identify and assess the risk of material misstatement and to design and perform any additional audit procedures. It should also determine the significance of the service facility's activities to the auditee and their relevance to the audit process in order to gain an understanding of the auditee and its environment.
140. If the auditor concludes that the activities of the service entity being audited are significant to the audited entity and relevant to the audit process, he should document his plan to obtain a sufficient understanding of the service entity and its environment, including internal control, in order to identify and assess the risks of material misstatement and to design additional audit procedures to address the assessed risks.
141. If the auditor plans to use the report of the auditor of the service entity being audited, he should document any inquiries regarding his professional competence when performing the audit assignment for the service entity.

Q- Considerations for documenting related party audits²:

142. The auditor must document the performance of audit procedures designed to obtain sufficient appropriate audit evidence regarding management's identification and disclosure of related parties and the effect of significant transactions with them on the financial statements.
143. The m mustCheckTo document the examination of the information obtained from those responsible for governance and management related to identifying the names of all related parties known to them, and to document the following:

¹INTOSAI 2402ISSAI "Regulatory Considerations Relating to an Entity Using an Organization for Services"

²International Standards of Supreme Audit Institutions, Standard 2550ISSAI, "Related Parties".

**H-
Considerations
for
documenting
the use of
internal
auditors' work¹:**

- ☒ Review previous year's working papers for known related party names.
 - ☒ Examine the entity's procedures to identify relevant parties.
 - ☒ Inquire about the relationship of those responsible for governance and employees with other entities.
 - ☒ The result of examining the shareholders' registers to identify the names of major shareholders or obtaining a list of the names of major shareholders from the shareholders' register (if appropriate).
 - ☒ The result of examining the minutes of the meetings of the General Assembly, the Board of Directors, those responsible for governance, and other relevant legal records.
 - ☒ Inquire of other auditors currently involved in the audit or previous auditors regarding their information about other related parties.
 - ☒ Documenting the entity's tax returns and other information submitted to regulatory authorities.
144. Documenting a written declaration from the administration regarding the following:
- Completeness of the information given to him regarding the identification of the relevant parties.
 - Integrity of disclosures about related parties in the financial statements.
145. The auditor must document the study of internal audit activities and their impact on the audit procedures.
146. The auditor must document the understanding of internal audit activities to identify and assess the risks of material misstatements in the financial statements and to design and perform further audit procedures.
147. The auditor must document an evaluation of internal audit engagements when internal audit activities are linked to the auditor's risk assessment.

¹International Standards of Supreme Audit Institutions, Standard 2620ISSAI, "Using the Work of Internal Auditors."

d- Documenting the use of an expert:

- 148. When using work performed by an expert, the auditor should document that sufficient appropriate audit evidence has been obtained that such work is suitable for the purposes of the audit.
- 149. The auditor must document the assessment of the expert's professional competence and objectivity.
- 150. The auditor must document that sufficient appropriate audit evidence has been obtained that the scope of the expert's work is appropriate to achieve the audit objectives.
- 151. The auditor shall document the assessment of the appropriateness of the expert's work as audit evidence if a modified opinion is issued based on the expert's observations.

Y Documenting communication with those responsible for governance¹:

- 152. The auditor shall document the notification to those responsible for governance of the entity of the results reached through the audit of the financial statements.
- 153. The auditor shall document the identification of appropriate persons within the entity responsible for governance and who will be informed of the results of the audit.
- 154. The auditor shall document the notification to those charged with governance of uncorrected misstatements discovered during the audit process that management considers immaterial, either individually or collectively, if added to other misstatements with respect to the financial statements as a whole.
- 155. The auditor must document the communication of the most important findings reached through the financial statements audit process on a regular basis, which allows those responsible for governance in the entity to take appropriate and timely action.

K- Considerations for documenting

- 156. Comparative figures are the amounts and disclosures included in the financial statements for one or more prior periods. Contrasting figures are comparative information where the amounts and other disclosures for the prior period are included as

¹International Standards of Supreme Audit Institutions, Standard 2620ISSAI, "Communicating with Stakeholders Charged with Governance."

**the audit of
comparative
and
corresponding
figures¹:**

an integral part of the financial statements for the current period and are intended to be read only in relation to the amounts and other disclosures for the current period.

157. The auditor must document the determination of whether the financial statements include comparative information required by the applicable financial reporting framework, and whether that information is appropriately classified by:
- Documenting the agreement of comparative information with amounts and other disclosures presented in the prior period.
 - Documenting the reflection of accounting policies in comparative information, their consistency with those applied in the current period, or if there has been a change in accounting policies, whether those changes have been properly accounted for, presented and disclosed adequately.
 - Document subsequent events that occurred in the current period and whether prior financial statements have been restated, and identify comparative information that is consistent with the restated financial statements.
158. When comparative financial statements or corresponding figures are presented, he must document his opinion for each period for which the financial statements are presented, and the previous opinion in the audit reports thereon.
159. The auditor documents management's representations for all periods regarding the comparative financial statements referred to in the auditor's report, to reaffirm that the written representations previously prepared regarding the prior period remain appropriate. In the case of corresponding figures, only the written representations regarding the current period's financial statements are documented, as the auditor's opinion is based on those financial statements, which include the corresponding figures. However, the auditor requests specific

¹ ISSAI 2710, Comparative Information - Relevant Figures and Comparative Financial Statements, April 2018.

written representations regarding any restatement made to correct a material misstatement in the prior period's financial statements that affects the comparative information.

160. If the prior period's financial statements have been audited by another auditor, the auditor must document that the comparative financial statements were not audited by the auditor, the type of opinion reached by the previous auditor, and, if the previous auditor's report contains a modified opinion, the reasons for that opinion, along with the date of that opinion. This does not relieve the auditor from the obligation to obtain sufficient appropriate audit evidence that the opening balances do not contain misstatements that would materially affect the current period's financial statements.
161. If the prior period report is unqualified and the auditor discovers a material misstatement affecting the prior period's financial statements, the auditor must document that the misstatement was communicated to the appropriate management level and to those charged with governance, unless all of them are involved in the management of the entity. The auditor must request that the previous auditor be informed of the matter. If the prior period's financial statements are amended and the previous auditor agrees to issue a new report on the amended prior period's financial statements, the auditor must prepare a report for the current period only and must request that management amend the comparative figures. If management refuses to do so, the auditor must amend the report appropriately.

L- Documenting the audit of other information accompanying the audited

162. Other information is financial or non-financial information (other than the financial statements and the auditor's report thereon) included in an entity's annual report. An entity's annual report may be a single document or a set of documents that serve the same purpose.
163. The identification of documents that constitute a source of other information, including the annual

financial statements¹:

report, is often clearly based on law, regulation, or custom. In many cases, management or those charged with governance may issue a set of documents that together constitute an annual report. However, in some cases, it may not be clear which documents constitute or comprise the annual report. In such cases, the timing and purpose of the documents, the intended audience, and the matters that may be essential to the auditor's documentation of the documents that constitute or comprise the annual report.

164. When the annual report is translated into other languages under a law or regulation, or when multiple annual reports are prepared under different laws when the entity is incorporated in more than one country, you may need to consider whether one or more of the annual reports form part of the other information. Local law or regulation may provide further guidance in this regard.
165. Other information does not include preliminary announcements of financial statements or securities offering documents, including prospectuses.
166. The auditor shall document that management or those charged with governance have reported the following:
 - The auditor's expectations regarding obtaining the final version of the annual report in a timely manner prior to the date of his report, so that he can complete the required procedures before the date of the report, or if that is not possible, as soon as possible and in any event before the entity issues that information.
 - Potential implications when other information is obtained after the date of the auditor's report.
167. Where Other Information is made available to users only through the Website, the copy of the Other Information obtained from the Entity, and not directly from the Entity's website, is the relevant document upon which the Auditor will conduct its procedures and the Auditor is under no obligation to search for Other Information, including Other

Information that may be on the Entity's website, nor to perform any procedures to ensure that the Other Information is appropriately displayed on the Entity's website, or otherwise appropriately transmitted or displayed electronically.

168. An audit of other information does not constitute an assurance process with respect to that information unless required by law or regulation. However, other information must be read and taken into account, because other information that is materially inconsistent with the financial statements or the auditor's knowledge obtained in performing the audit may indicate a material misstatement of the financial statements.

Or the presence of a material misstatement in the other information, either of which could impair the credibility of the financial statements and the auditor's report thereon. Such material misstatements could also adversely affect the economic decisions of the users for whom the auditor's report is prepared.

169. The audit of other information may also assist the auditor in complying with the requirements of the Code of Professional Conduct and Ethics, which require the auditor to avoid knowingly associating with information that the auditor believes contains a materially false or misleading statement, lists or information prepared negligently, or omits or obscures information required to be included when such omission or obscuration is misleading.

170. The auditor must document and do the following:
- Determine, through discussion with management, what documents constitute the annual report, and the manner and timing the entity plans to issue those documents.
 - Make appropriate arrangements with management to obtain, in a timely manner, the final version of the documents comprising the annual report, and, if possible, prior to the date of the auditor's report.
 - When some or all of the specified documents are not available until after the date of the auditor's report, management is required to provide written representation that the final version of the documents will be provided to the auditor when they

- become available, and before the entity issues them, so that the auditor can complete his procedures.
171. The auditor must document any significant differences between it and the financial statements he audited.
172. If the auditor finds a significant discrepancy, he must document whether the financial statements he audited need to be adjusted or whether other accompanying information should be adjusted.
173. If the auditor becomes aware that the accompanying other information contains any material misstatement of fact prior to the date of the report, he must document the discussion of the matter with the entity's management. And those charged with governance, and if that information is not corrected, he must take into account the impact of that on his report and inform those charged with governance about how the audit process is planned to address the material misstatement in his report.
174. If the auditor concludes that there is a material misstatement in the information Others obtained after the date of the report, he must:
- Take necessary action as appropriate, if other information is corrected.
 - Take appropriate action if other information is not corrected after notifying the responsables for governance. In governance, taking into account legal rights and obligations, as well as seeking to draw the attention of users to whom a report of uncorrected material misstatement is prepared.
175. The auditor's report should include a separate section under Key Audit Matters or Other Audit Matters, as appropriate, entitled "Other Information," stating that the entity's management is responsible for the other information, identifying the other information the auditor obtained prior to his report, and the other information expected to be obtained after his report, stating that the auditor's opinion does not cover it and therefore the auditor has not and will not express an opinion on it and will not provide any form of confirmatory conclusion thereon, and describing the auditor's

- responsibilities as an auditor related to reading, considering, and reporting on the other information.
176. If the auditor is required by law or regulation to refer to other information in his report using a specific format or wording, his report shall so refer, specifying the other information the auditor obtained before the date of his report, a description of his responsibilities with respect to the other information as required by such law or regulation, and a statement explaining the result of his work for this purpose.

3/4 Documenting procedures for correcting misstatements identified during the audit process¹

177. Documenting the procedures for correcting distortions is done through the following procedures: -
- [1] Collection of known distortions during the audit.
 - [2] Study the need to modify the general audit strategy and the audit plan if:
 - أ. The nature of the identified misstatements and the circumstances in which they occurred indicate the possibility of other misstatements that, if aggregated with the misstatements identified during the audit, may be material.
 - ب. The aggregate of misstatements collected during the audit approached the established materiality.
 - [3] Perform additional audit procedures if management corrects the misstatements discovered by the auditor to determine whether any misstatements still exist.
- In this case, he must document the following:
- The circumstances encountered.
 - New or additional audit procedures performed, audit evidence obtained, and conclusions reached.

¹ International Standard on Auditing No. 450, Evaluating Misstatements Identified During an Audit, translated by the Saudi Organization for Certified Public Accountants, 2017.

- When and by whom the amendment was made and, if required, who reviewed the amendment.
- [4] Informing the appropriate management level of all misstatements collected during the audit in a timely manner, and the auditor must request management to correct those misstatements.
- [5] If management refuses to correct some or all of the misstatements reported by the auditor, the auditor must document this and the reasons for it.
- [6] Documenting his assessment of the impact of uncorrected misstatements, and reassessing the relative importance to confirm whether they are still appropriate in the context of the actual financial results of the audited entity.
- [7] Documenting the extent of the materiality of the uncorrected distortions in light of:
 - a) The size and nature of misstatements, in relation to particular classes of transactions, account balances, or disclosures, and in relation to the financial statements.
 - b) The effect of uncorrected misstatements relating to prior periods of classes of transactions, account balances, disclosures, and financial statements.
- [8] Documenting the notification of those charged with governance of uncorrected misstatements, whether related to the current period or previous periods, and their impact on the opinion in the auditor's report, and requesting their correction.
- [9] Documenting a request for written testimony from management and those charged with governance, regarding the extent of the materiality of the uncorrected distortions, attaching a summary of the items they contained.

3/5 Documenting general and specific reactions (at the financial statements level and at the verification level).

178. The auditor should document the overall responses taken to address the risks of material misstatement assessed at the financial statement level, the nature, timing, and extent of the additional audit procedures

performed, the relationship of those procedures to the risks assessed at the assurance level, and the results of the audit procedures, including conclusions if those results are unclear.

179. If the auditor plans to use audit evidence obtained in prior audits regarding the operating effectiveness of controls, the auditor should document the conclusions reached regarding reliance on such controls that were tested in prior audits..
180. The auditor's documentation must demonstrate that the information contained in the financial statements is consistent with or in agreement with the accounting records on which they are based, including disclosures, whether such information is obtained from the general ledger, subsidiary ledgers, or from outside them.

The form and extent of audit documentation is subject to the auditor's professional judgment and is affected by: the nature, size, and complexity of the entity's business and its internal control system; the availability of information from the entity; and the audit methodology and technology used in it.

3/6 Documenting the analytical procedures in the comprehensive examination at the end of the audit work:

181. The auditor documents the analytical procedures at or near the end of the audit when he has formed an overall conclusion about whether the financial statements as a whole are consistent with the auditor's understanding of the entity. He documents the following :
 - [1] The analytical procedures he performed.
 - [2] Results of analytical procedures.
 - [3] The extent to which the analytical procedures affected the opinion reached and the need to obtain new evidence or not.
 - [4] Any additional review procedures performed after performing the analytical procedures.
 - [5] The final results reached.

3/7 Documenting deviations from basic principles or necessary procedures:

182. In exceptional cases where the auditor deems it necessary to deviate from a fundamental principle or

necessary procedure, he must document the reasons for non-compliance and document the alternative procedures that were implemented and how they contributed to achieving the audit objective.

3/8 Documenting quality control on audits¹:

183. The auditor must document quality control during all stages of the audit, especially the following:

• **Supervision:**

- The person responsible for the engagement must document the responsibility for directing, supervising and performing the audit process in accordance with professional standards and regulatory and legal requirements, and that the auditor's report issued must be appropriate to the circumstances list.
- Documented supervisory work includes some of the following:
 - Monitor the progress of the review assignment.
 - Taking into account the individual capabilities and competencies of the work team members, the availability of sufficient time to complete their work, the extent of their understanding of the instructions given to them, and whether the work is being carried out according to the program planned to perform the task.
 - Addressing significant issues that arise during the performance of the audit assignment, examining their significance and adjusting the planned program to perform the assignment appropriately.
 - Identify issues that require advice or consideration from more experienced team members while they are performing the task..
- Inspection responsibilities are determined by more experienced team members inspecting the work performed by less experienced team members, by documenting and studying whether:

- The work was performed in accordance with professional standards and applicable regulatory and legal requirements.
- Important matters have arisen that require further study..
- Whether the necessary consultations have taken place and whether their results have been documented and implemented.
- There was a need to reconsider the nature, timing and extent of the work performed..
- The work performed supported the conclusions reached and was adequately documented..
- The audit evidence obtained was sufficient and appropriate to support the auditor's report..
- The objectives of the mission procedures had been achieved..

184. The auditor should, through his examination of the audit documentation and discussions with the work team on or before the date of the audit report, be satisfied that appropriate and sufficient audit evidence has been obtained to support the conclusions reached for the issuance of the auditor's report.

• Consultation :

185. Consultation in the oversight process should be documented, especially the following:

- Procedures for appropriate consultation on difficult or contentious matters.
- The team members responded to appropriate consultations during the course of work, whether within the team or between the team and other people at an appropriate professional level from within or outside the office..
- Implementing the conclusions of the consultation.
- It is sufficient to document the nature and scope of such consultations and the conclusions resulting from them, agreed upon with the party consulted, and implemented.

Documenting the agreement of both those seeking advice and those being consulted, and documenting consultations regarding difficult or contentious matters with other

professionals. The documentation must be complete and detailed enough to enable their understanding, including the following:

- Subject of consultation.
- The results of the consultation, including the decisions taken, the foundations on which those decisions were based, and how they were implemented.

• **Pre-release check:**

186. The person responsible for auditing the financial statements of listed companies should document the following:

- Appoint a pre-release examiner.
- Discuss significant/material matters that may arise during the review process, including those identified during the pre-issuance review, with the pre-issuance examiner..
- Evaluation of the pre-issuance objective review of the significant/material subjective judgments made by the work team, and the conclusions reached when formulating the auditor's report, and the following must be documented:
 - ☒ Discuss important matters with the person responsible for the review process.
 - ☒ Review of the financial statements and the proposed auditor's report.
 - ☒ Examination of selected audit findings relating to significant judgments made by the audit team and conclusions reached.

4- Section Three: Documenting the reporting and follow-up phase

First: Documenting the reporting stage:

187. The auditor must document his opinion in writing in the audit report, which must contain the following information:

- [1] Title.
- [2] To whom it is addressed.
- [3] Auditor's opinion.

- [4] Basis of opinion.
- [5] Responsibilities of management and those charged with governance with respect to the financial statements.
- [6] The auditor's responsibilities for the financial statements audit process.
- [7] A description of the nature of the auditor's responsibilities for auditing the financial statements.
- [8] Other reporting responsibilities.
- [9] Continuity.
- [10] Attention grabbing paragraphs.
- [11] Key matters to audit.
- [12] Other matters paragraph in the audit.
- [13] Name of the partner responsible for the engagement.
- [14] Auditor's signature.
- [15] Auditor's address.
- [16] Date of report.

188. He should take into account the following considerations in documenting, in each of these items: -

- **the address:** It clearly indicates that it is the independent auditor's report, distinguishing it from reports that may be issued by others, such as the entity's managers, the board of directors, or other auditors whose work does not require compliance with the same professional conduct requirements as the auditor.
- **To whom the report is addressed:** Often, either to the shareholders or those charged with governance of the entity whose financial statements are being audited, for reasonable or limited audits of general-purpose financial statements. A law, regulation, or the terms of the engagement may specify who the auditor's report will be directed to. In the case of special purpose audit engagements, the report's addressee is determined solely based on the terms of the engagement associated with the engagement.
- **Auditor's opinion (opening paragraph):** The opening paragraph of the auditor's report must identify the entity whose financial statements were audited and the financial statements that were audited. The opening paragraph must also identify the following:
 - (a) Identify the title of each of the financial statements that constitute the complete set of financial statements.
 - (b) Reference to the summary of significant accounting policies and other supplementary explanations.

- (c) Determine the date and period covered by the financial statements.
- (d) Reference to the applicable financial reporting framework, whether a general framework or a special framework, and in the case of special purpose frameworks, describing the purposes for which the statements are prepared, to inform users of the auditor's report of the context in which the auditor's opinion is expressed, and not for the purpose of limiting the auditor's assessment. When the financial statements are prepared in accordance with two financial reporting frameworks, each framework is taken into account separately when forming the auditor's opinion on the financial statements, and the auditor's opinion refers to both frameworks.
- (e) When the audited financial statements are included in a document containing other information, such as the annual report, the auditor may consider identifying the page numbers on which the audited financial statements are presented. This helps users identify the financial statements to which the auditor's report relates.
- (d) The auditor's opinion on the financial statements.

Types of opinion: The auditor's opinion on the financial statements varies into four types of opinion, which are:

- Clean opinion (unedited).
- Conservative opinion.
- Negative (opposing) opinion
- Abstain from expressing an opinion.

The next figure (3) shows, the types of opinions in the auditor's report:

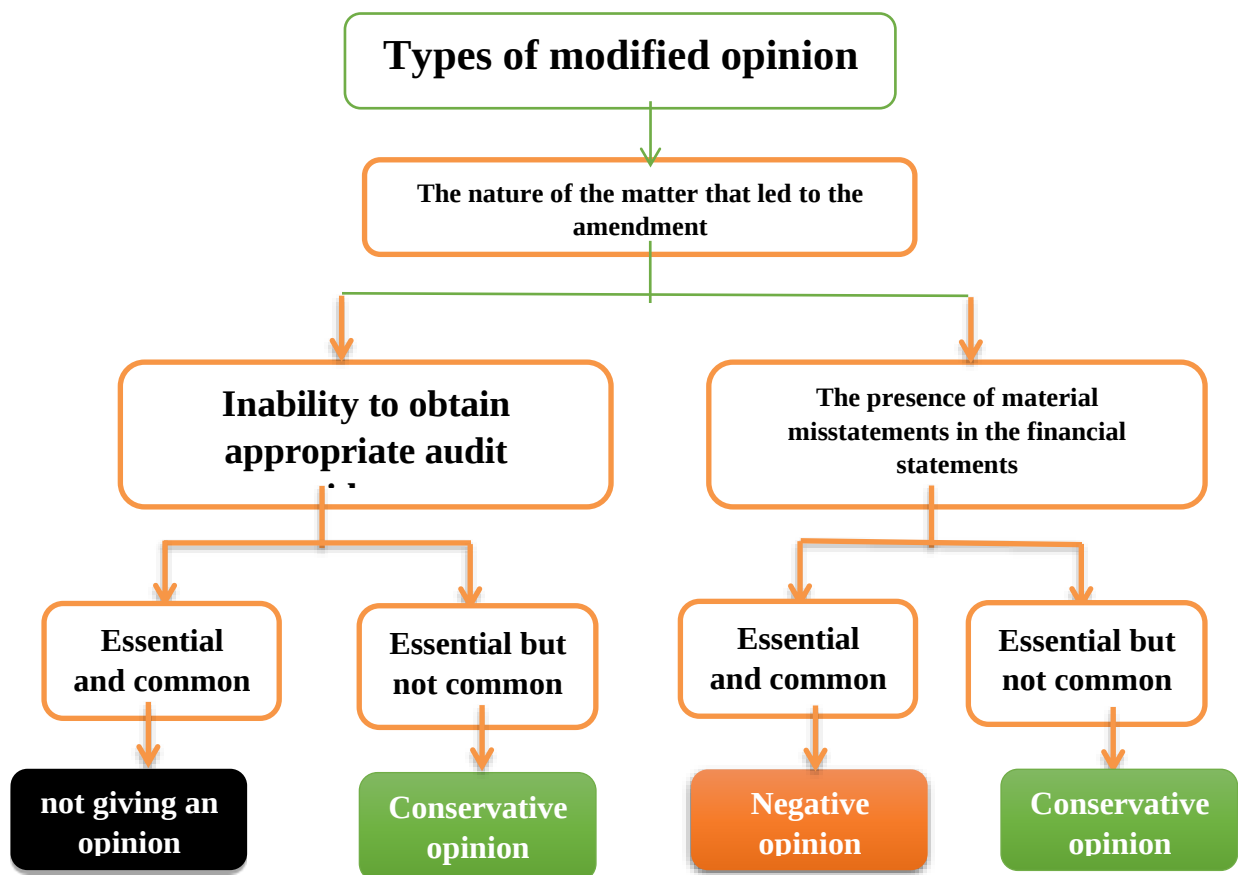


Figure 3: the types of opinions in the auditor's report

189. It is worth noting that the term "common" in this context is used to describe the effects of misstatements on the financial statements, or the potential effects of misstatements on the financial statements—if any—that have not been detected due to the inability to obtain sufficient appropriate audit evidence. Common effects on the financial statements are those that, in the auditor's judgment, are:

- a) It is not limited to specific items, accounts, or line items in the financial statements.
 - for) If limited to that, it represents or could represent a significant part of the financial statements; or
 - c) With regard to disclosures, they are the basis for users' understanding of the financial statements.
- Therefore, it is considered substantial and not common if it does not exceed the limits of the error value specified as relative importance and is of great value for the item or list.

The decision about the appropriateness of any of these modified opinions depends on two things:

- The nature of the matter that led to the adjustment, i.e. either the financial statements are materially misstated, or - in the event that sufficient appropriate audit evidence cannot be obtained - they may be materially misstated.
- The auditor's judgment regarding the prevalence of the effects or potential effects of this matter on the financial statements.

Circumstances leading to the issuance of an unmodified (clean) opinion: The auditor issues a clean report when he concludes in his opinion that the financial statements present fairly and clearly in all their material aspects in accordance with the applicable financial reporting framework. Therefore, the opinion paragraph in his report should state this (Annexures 1, 2, 3, and 4, examples of unmodified (clean) reports).

When issuing an unmodified opinion, the auditor should not refer to the work of any expert.

Circumstances leading to the issuance of a qualified opinion report: The auditor issues a qualified opinion when:

- Concludes - after obtaining sufficient appropriate audit evidence - that the misstatements, individually or in the aggregate, are material to the financial statements, but are not uncommon;
- The auditor is unable to obtain sufficient appropriate audit evidence to provide a basis for the opinion, but concludes that the potential effects of undetected misstatements on the financial statements, if any, could be material, but are not common.

The term “common influence” on the financial statements means that, in the auditor’s judgment, one of the following three conditions is met:

- (a) is not limited to particular items, accounts or items in the financial statements.
- (b) represents or could represent a significant part of the financial statements;
- (c) For disclosures to be the basis for users’ understanding of the financial statements.

In this case, the auditor must notify the entity’s management of his observations on the financial statements that he arrived at through the audit work he conducted and request that it make the necessary corrections and take into account the nature of

those distortions with respect to the operations carried out on those items. If the management responds, he shall perform additional audit procedures to ensure that the financial statements after the correction do not contain material distortions. If new distortions appear that lead to the continuation of uncertainty regarding the item's values, the matter must be discussed with those charged with governance, and he must reserve those items in his report, specifying the reasons that led to his reservation, and stating in the opinion paragraph that, with the exception of the effects of the matters explained in the Basis for the Qualified Opinion section, the financial statements present fairly and clearly in all their significant aspects in accordance with the applicable financial reporting framework (Annexures 5 and 7, models of qualified reports).

Circumstances leading to the issuance of a negative (adverse) opinion report: The auditor expresses an adverse (adverse) opinion on the financial statements, in light of the audit evidence on which he bases his opinion, concluding that the data contained in the financial statements contain misstatements, whether individually or in aggregate, that are material and common to the financial statements (Annex 6, Models of Adverse (Adverse) Opinion Reports).

Abstain from expressing an opinion: The auditor disclaims an opinion when the auditor is unable to obtain sufficient appropriate audit evidence to form a basis for the opinion, and the auditor concludes that the potential effects of undetected misstatements on the financial statements may be material and pervasive (Annexures 8, 9 Sample Disclaimer of Opinion Reports).

When there is a limitation on the scope of the auditor's work that requires the expression of a qualified opinion or a disclaimer of opinion, the audit report must describe this limitation and indicate the potential adjustments that would have occurred if this limitation had not existed.

- **Basis of opinion:** The word “qualified” or “disagreeing” may be added to this heading if there is a modified opinion in accordance with ISA 2705. This paragraph of the auditor's report must state the standards that were adhered to in performing the audit. The report must also explain that these standards require the auditor to comply with ethical

requirements and that the auditor plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements in the case of a complete general-purpose financial statement audit, limited assurance in the case of a limited audit of interim financial statements, or the assurance agreed upon in the engagement agreement for a special-purpose audit.

If the auditor's opinion is modified (qualified, adverse, disclaimer of opinion) due to the inability to obtain sufficient appropriate audit evidence, the reasons for the inability should be included in the Basis for Opinion section, and the statement that the evidence obtained is sufficient and appropriate should be modified to indicate the auditor's opinion by adding the word "qualified" or "adverse."

- **Responsibilities of management and those charged with governance regarding the financial statements:** So that it is clear that the administration is responsible for the following:

Preparing financial statements in accordance with the applicable financial reporting framework.

The internal control that management deems necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

Assessing the entity's ability to continue as a going concern, whether the use of the going concern basis of accounting is appropriate, and disclosing matters related to going concern, if applicable.

The persons responsible for governance in the entity subject to oversight and their role in overseeing the financial reporting process are also clarified.

- **Auditor's responsibilities for auditing financial statements:** It must state the following:

-The auditor's objectives are to obtain reasonable/limited assurance (as appropriate) on the financial statements. Reasonable assurance is a high level of assurance, but it is not a guarantee that the audit will always detect a material misstatement when it exists.

-Misstatements can arise from fraud or error, and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements, providing a description of the materiality in accordance with the applicable financial reporting framework.

○ **Description of the nature of the auditor's responsibilities for the financial statements audit process, which are:**

Demonstrate the auditor's exercise of professional judgment and maintains professional skepticism during the audit process in accordance with auditing standards. It describes the audit process by stating the following:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for his opinion.
- An understanding of internal control relevant to the audit, in order to design procedures appropriate to the circumstances, and not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. In circumstances where the auditor is also responsible for expressing an opinion on the effectiveness of internal control in conjunction with the audit of the financial statements, the auditor should delete the statement that the auditor's consideration of internal control is not for the purpose of expressing an opinion on the effectiveness of the auditee's internal control.
- Judging the appropriateness of the accounting policies used, and the reasonableness of the accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting, based on the audit evidence obtained, and that its conclusions in this regard are based on the audit evidence obtained up to the date of its report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including disclosures, and

whether the financial statements represent the transactions and events they represent in a manner that achieves fair presentation.

When auditing the consolidated financial statements, an additional explanation must be included as follows:

- The auditor's responsibilities are to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group, to express an opinion on the group's financial statements.
- The auditor is responsible for the direction, supervision and performance of the group audit.

The auditor remains solely responsible for his opinion.

- Refers to his communication with those charged with governance regarding, among other matters, the planned scope and timing of the audit and its significant findings, including any significant deficiencies in internal control identified during the audit.
- The auditor shall notify those charged with governance of a statement that he has complied with the relevant ethical requirements regarding independence, and has informed them of all relationships and other matters that he may reasonably believe may affect the auditor's independence in the case of audits of the financial statements of entities listed on a stock exchange, and the measures taken to address any threats in this regard.
- It clarifies that among the matters communicated to those charged with governance - detailing them - are matters that were of great importance when auditing the financial statements for the current period - in the case of audits of the financial statements of listed entities and any other entities - and which are reported as key audit matters in accordance with Auditing Standard (2701), unless a law or regulation prohibits public disclosure of this matter, or if the auditor determines that reporting this matter in his report may cause negative consequences that outweigh the benefits of such reporting.

The auditor's responsibilities for the audit process must be described in the body of the report and may be included as an appendix, provided that the location of this appendix is indicated in the report. The auditor's responsibilities may also

be indicated on the website of a competent authority if national regulations, systems and standards permit this.

If the auditor issues a disclaimer of opinion, the auditor must add the statement, “Because of the matters described in the Basis for Disclaimer of Opinion section, the auditor was unable to obtain sufficient appropriate audit evidence to provide a basis for the auditor’s opinion on the financial statements.”

- **Report on other regulatory and statutory requirements:** A separate section is included in the auditor's report that addresses other reporting responsibilities in the auditor's report on the financial statements, which are in addition to his responsibilities under the auditing standards.
- **Continuity:** The auditor must¹To demonstrate that he has obtained sufficient audit evidence about the appropriateness of management’s use of the continuity assumption when preparing the financial statements, and in the event of a material uncertainty related to events or conditions that may cast doubt on the entity’s ability to continue, he must prepare a report on that, including the factors that led to doubt about the entity’s continuity, and clarifying his inquiry about management.
- Management's assessment of its ability to continue, its plans to address any threats to its continuity, if any, and its opinion of their appropriateness.
- **Attention grabbing paragraph:** These paragraphs begin with the phrase “While not a qualification” and refer to a matter that has been appropriately presented or disclosed in the financial statements and which, in the auditor’s judgment, is important enough to form a basis for users’ understanding of the financial statements, provided that this paragraph includes what requires modification of the auditor’s opinion on the financial statements and is not considered an alternative to a modified opinion in the financial statements or to a disclosure required in the financial statements. The content of the emphasis of matter paragraph does not include matters discussed with those charged with governance and is included in the key audit matters, and is placed before or after the key audit matters in accordance with the requirements of Standard (2706).

It is considered a wrap paragraph (Attention) is necessary in the following cases:

¹ ISSAI 2570, Operating Institution, April 2018.

If the financial reporting framework stipulated by a law or regulation is not acceptable, but in fact it is stipulated by a law or regulation.

To alert users that the financial statements are prepared in accordance with a special purpose framework.

When facts become known to the auditor after the date of his report, and the auditor provides a new or revised report (i.e., subsequent events).

The auditor may see the need to draw attention in some cases that is not considered necessary - the auditor is not obligated to disclose - such as:

Uncertainty regarding the future outcome of an exceptional action Judicial or regulatory.

A significant subsequent event that occurs between the date of the financial statements and the date of the auditor's report.

Early application (when permitted) of an accounting standard new has a material impact on the financial statements.

- A major disaster that has affected or continues to significantly impact the financial center of the establishment.
- **Key matters to audit¹:** This section is included in the report on the audit of a complete set of general-purpose financial statements of regulated entities listed on the stock exchange, or is required by regulation or law, but this section should not be included in the case of a disclaimer of opinion unless required by law or regulation.
- Key audit matters are some topics that have been communicated to those charged with governance of those entities and that the auditor believes are of great importance when conducting the audit of the current period. This refers to relative importance, which is related to the relative judgment of the item, the nature of the item (the degree of risk to which it is exposed), and its impact on the decisions of stakeholders and beneficiaries, with a focus on the following matters:
 - High risk items.
 - Areas in the financial statements that involve a high degree of uncertainty and represent significant management judgments, such as accounting estimates.
 - The impact of these significant events on the financial statements.

¹ ISSAI 2701, Key Audit Matters, April 2018.

- A heading is included for each of the main audit matters. However, the main audit matters that are prohibited by the law or regulation from being disclosed, or matters that lead to the issuance of a modified opinion on the financial statements, whether in the form of reservation or rejection of the financial statements, or matters that lead to doubt about the entity's ability to continue, must not be included. This paragraph must highlight the following:
 - The reason why this is considered major.
 - The way this was handled when conducting the audit.
 - The auditor must inform those charged with governance of the matters that will be considered key audit matters, or, if none exist, whether there are any key audit matters. Communicating key audit matters is not a substitute for the disclosures required in the financial statements. It should also be noted that including a key audit matter paragraph does not guarantee greater reliability of the financial statements.
 - Unless required by law or regulation, when the auditor disclaims an opinion on the financial statements, he should not include in his report a section on key audit matters.
- **Other matters in the audit:** Other things include:

Reporting on planning and scope matters in the auditor's report is required by law or regulation, and the auditor feels it necessary to report them, but they are not discussed with those responsible for governance and included in the main audit matters.
- The auditor's inability to withdraw from the engagement due to a management-imposed restriction on the scope of the audit, and the potential impact of the inability to obtain sufficient appropriate audit evidence to explain the reasons for the inability to withdraw.
- Topics that a law, regulation or generally accepted practice may require or permit to be included in the "Other Audit Matters" paragraph, explaining some matters that provide additional explanation of his responsibilities when auditing the financial statements or the auditor's report thereon.
- When the Other Matters section includes more than one matter that, in the auditor's judgment, is relevant to users' understanding of the auditor's operations, responsibilities, or report, different subheadings may be included for each matter.

- Including in his report a reference to the fact that another set of financial statements has been prepared by the same entity, in accordance with another general purpose framework, if the entity has prepared two sets of statements, both subject to a general purpose framework, and there is a difference between the two frameworks (for example, one applies national standards and the other applies international standards), and the auditor considers those frameworks acceptable, and is responsible for preparing a report on the financial statements of both sets of statements, and the auditor has issued a report on those financial statements.
- **Name of the partner responsible for the engagement:** The name of the auditor assigned to the audit process in the entity subject to audit. The name of the director of the department or division within whose supervision the entity falls may also be required. This shall be done in accordance with the rules and regulations of the Supreme Audit Institution, unless this represents a threat to this official. In this case, the person responsible for governance shall be informed of this.
- **Auditor's signature:** It may include the signature of both the auditor responsible for auditing the financial statements of the entity subject to the audit and the approval of the department manager responsible for him. This is largely regulated by the systems and regulations governing the supreme audit institutions.
- **Auditor's address:** The auditor's address is usually the address of the Supreme Audit Institution or the address of the competent audit department, in accordance with the regulations and systems of the Supreme Audit Institution.
- **Audit report date:** The auditor's report shall be dated no earlier than the date on which he obtained sufficient appropriate audit evidence upon which to base his opinion on the financial statements, and no later than the date on which the entity's management has completed the preparation of the final financial statements and the supplementary explanations thereto, and the acknowledgment by those with recognized authority of responsibility for them.

Secondly, documenting the follow-up:

190. Effective follow-up mechanisms for recommendations submitted by supreme audit and accounting bodies must be documented, including the following:
- Documenting the submission of reports by supreme audit institutions to the legislative authority, one of its committees, or to the board of directors of the audited entity, whenever appropriate, for presentation and follow-up, with specific recommendations for corrective action.
 - Documenting the work of the internal systems of the supreme audit and accounting bodies for their own follow-up to ensure that the entities subject to oversight have properly addressed their observations and recommendations, in addition to the observations and recommendations submitted by the legislative authority. And one of its committees or submitted it to the boards of directors of the entities subject to oversight.
 - Supreme audit institutions shall submit their follow-up reports to the legislative authority, one of its committees, or to the board of directors of the entity subject to audit, whenever appropriate, for consideration and action, even in cases where the supreme audit institutions have their own legal authority to follow up and impose sanctions.
 - Documenting the adoption by Supreme Audit Institutions of objective and transparent audit standards, processes, and methodologies by documenting the provision of effective mechanisms for following up on their recommendations to ensure that audited entities properly address their observations and recommendations, as well as those issued by the legislative authority. Such follow-up procedures within Supreme Audit Institutions allow audited institutions to provide information on corrective actions taken or on the justifications for not taking such actions.

Chapter 3

Documenting procedures in auditing performance

Introduction

191. International standard definition ISAAI 300 In Item No. (9) performance control is: "phrase on to examine Independent and objective Trusted To him Why then? She was Government pledges, or Its systems, or Its operations, or Its programs, or its activities, or Its institutions It works According to principles Economy Efficiency and effectiveness gesticulate if it was areas for improvement".
192. Performance control also seeks to:¹:
- presentation Visions Analytical New (analysis Wider or Deeper or Destinations consideration New);
 - Empowerment Owners interest the different ones from examining on Information Current In the picture better;
 - presentation opinion or conclusion independent Official Based on to Evidence censorship;
 - presentation Recommendations Based on to analysis results Censorship.
193. Aims This chapter to achieve the following goals:
- Organizing and standardizing work documentation procedures among various performance audit teams and ensuring that the methods adopted between them are implemented in a consistent and homogeneous manner.;
 - To provide a practical training tool for auditors, whether new to the audit field or experienced in other audit fields or in the field of performance auditing, on how to collect and maintain audit documentation in the process of documenting performance audit procedures.;
 - Facilitating the management and monitoring of the stages of implementing audit assignments, by specifying the documents for all work procedures that must be followed at each stage of the audit, reducing potential audit risks when implementing assignments, and ensuring that the control documents collected for all types of control provide evidence on which the auditor can rely to reach a

¹ ISAI 300/10 Basic Principles of Performance Auditing.

conclusion about achieving the overall objective of the audit assignment.;

- Helping to evaluate the professional performance of audit teams, considering the chapter as a model working methodology that can be adopted as a reference in evaluating the documentation methods used in carrying out tasks.;
- Help on Establishing quality control standards at various stages of the audit mission through: Providing evidence that the audit mission was planned and implemented in accordance with the requirements of the Supreme Audit Institution and applicable legal and regulatory requirements.¹

194. As in other types of audit control, the results of performance audits must be reliable, enabling users of audit reports to make appropriate decisions based on the findings, analyses, and recommendations presented by the auditor in their report. Documenting audit work is one of the most important elements supporting the methodology of the audit work performed and the results reached by the auditor. The process of documenting audit work is linked to all stages of the audit process. Therefore, it is essential for the auditor to provide audit documentation that supports the work performed and the results reached.
195. And It is essential for the auditor to attach importance to supporting all audit work with adequate documentation, as this is an essential part of quality control, as it guarantees that the audit work is carried out satisfactorily and achieves the audit objectives. In addition, adequate documentation of audit work can determine the form of good practice for similar audit operations in the future, as it reflects the degree of professional development of the Supreme Audit Institution and its auditors.
196. In addition to the importance of the audit documentation process for users of reports, documenting the audit process in a complete and detailed manner would allow any experienced auditor who does not have knowledge of the audit subject to have a clear understanding of the nature of the audit work carried out, its timing, scope, and

¹Central Concepts of Performance Control GUID 3910/100

results, and the audit evidence obtained to support the results, conclusions, and recommendations.¹

197. It is essential for the auditor to realize that the procedures for documenting audit work in performance audit are not limited to one stage., rather, the importance of documentation extends to each stage of the control process according to the following form:



handout number 4: Documenting the stages of the performance audit process.

I. The previous stage of the control process

1. Strategic planning for operations performance audit:²

198. It falls under planning performance audit missions according to INTOSAI, within the framework of strategic planning that mainly includes: Important future trends to be followed in selecting performance audit assignments in the medium and long term.
199. In this context, the database of proposed audit topics related to these issues constitutes an important source and a basic link between strategic planning and annual planning in a way that makes the interests of Supreme Audit Institutions As the highest oversight body in the state In line with the strategic aspirations of the state, this is done through:

¹ISSAI 3000/87 Performance Control Standards

²Attachment No. (1) General methodology for performance control in the Supreme Audit Institution.

- Providing a robust database for performance audit management to determine the strategic direction for future audit coverage.
- Identifying and selecting audits likely to lead to improved accountability and management in the government sector.
- Developing a written and approved audit strategy that is achievable given anticipated and available resources.

200. v

Within the framework of strategic planning for performance auditing, a written, approved, and periodic work plan must be prepared over a period of several years (three years), including the topics of performance audit assignments.

201. I

SAAI 3000/89 emphasizes that the selection of performance audit topics must be based on research to identify risks and issues and, consequently, select the most appropriate auditable topics. This research process, upon which the medium- and long-term plan is based, must be documented in the audit team's permanent file.

202. T

The work plan is prepared by issuing a decision from the Supreme Audit Institution's senior management to form a multi-year work plan preparation team, specifying the distribution of roles among audit team members and the timeframe for completing the plan. The plan must be based on three pillars: audit assignments, capacity development, and communication with stakeholders.

203. 2

Minutes of the work plan preparation team meetings must be approved to document the discussions and conclusions reached regarding the accomplishments of the previous work plan and the proposals for the future plan..

204. The task force responsible for preparing the work plan compiles and sorts the proposed regulatory tasks from various sources and studies the feasibility of implementing them according to the performance audit methodology, by collecting and storing documents electronically. The file folder consists of the following documents:

205. • Assignments from the senior management of the supreme auditing body.
- Annual financial audit reports from the supreme auditing body.
 - Regulatory sectors within the supreme auditing body.
 - Minutes of the legislative authority.
 - National development plan.

- Media coverage regarding topics of interest to the supreme auditing body.
 - Proposals from the relevant audit teams regarding performance control.
 - Topics issued by international organizations related to performance control.
206. The process and mechanism of identifying and assessing risks is a fundamental element in selecting control topics.¹ Therefore, all records and assessment bases carried out by the team responsible for selecting audit topics must be recorded, documented and preserved.
 207. The team is responsible for preparing the medium- and long-term plan are considered the most important source for documenting the reasons for selecting audit topics. They should also be a reference for documenting those high-risk topics that were not included in the plan due to their incompatibility with the mandates of the Supreme Audit Institution.
 208. By official decision, a team is formed to prepare the annual operational plan, specifying the team's tasks and the timeframe for completing the plan.
 209. The team responsible for preparing the annual plan compiles the supervisory tasks carried over from the previous annual plan and suggestions from management members, gathers all documents in the team's file, and selects tasks from the multi-year work plan.

2. Preparing a proposal for the annual performance control plan:

210. The annual plan preparation team holds regular meetings that are documented with official meeting minutes, and keeps and collects documents in an electronic folder, which includes the following:
 - A schedule of the supervisory tasks intended to be implemented for the multi-year work plan, the previous annual plan, and proposals for various sources.
 - Objectives and examination axes for the supervisory tasks for each proposed supervisory task.

- A distribution schedule for the supervisory tasks among work teams and identifying the leaders and members of the teams for the approved supervisory tasks.
 - A draft of the annual plan for the supervisory tasks including (at a minimum) the following:
 - o Name and number of the task.
 - o Objectives and examination axes.
 - o Expected return from the examination.
 - o The entity being examined.
 - o Type of examination.
 - o Audit team members.
 - o Source of the task and the expected start date.
- The annual plan preparation team holds periodic meetings, which are documented in official meeting minutes. The documents are stored and collected in an electronic folder, which includes the following:
- Schedule of planned audit tasks for the multi-year work plan, previous annual plan, and proposals from various sources.
 - Objectives and review axes for audit tasks for each proposed audit task.
 - A schedule for distributing supervisory tasks to work teams and identifying team leaders and members for approved supervisory tasks.
 - Draft annual plan for oversight tasks including (at least) the following:
 - o Task name and number.
 - o Objectives and themes of the examination.
 - o Expected return from the examination.
 - o The entity being examined.
 - o Type of examination.
 - o Audit team members.
 - o Task source and expected start date.

211. It is essential that the final draft of the annual plan (the strategic plan) is documented. G(following) through its approval by senior management and through publishing that plan on the Authority's website.

3. General guidelines

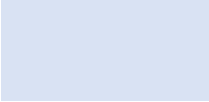
- 212. Regarding the contract letter and acceptance of the audit assignment, in the case of performance auditing in the public sector, the auditor does not have the option to refuse. And if the audit assignment is not accepted, an official letter must be issued to assign the audit assignment, such that this letter includes the conditions of the audit assignment in terms of its objectives, scope, responsibilities of the auditor, the entity being audited, and other matters of interest to the parties dealing with the audit team and the beneficiaries of its report.
- 213. It is necessary to obtain a declaration from management acknowledging its responsibility regarding the comprehensiveness of financial or non-financial reports related to the auditing task, ensuring that they fairly present the entity's situation and that the reports relevant to the task are free from material misstatements. Additionally, it is essential to obtain a written agreement enabling the auditor to access information and individuals within the entity, as well as any information requested in order to fulfill the assigned oversight task.
- 214. The commitment of the team members responsible for the ethical requirements related to the activities before and during the performance audit process is confirmed. These are the same requirements that the auditor must adhere to throughout all stages of the audit process, which are regulated by the ISAAI 30 standard – Code of Ethics. This is achieved through a model specifically designed to declare compliance with the rules of professional ethics and adherence to the requirements of professional conduct.
- 215. When any threat arises that may compromise the ethical requirements mentioned in International Standard No. 3910, Section 14 – whether before or during the supervisory tasks, a written assessment model must exist, approved by the audit team members, their leader, and the supervisor of that team. This model should include a statement of the main risks that could affect the auditor's independence and the preventive measures that the team leader and supervisor will adopt to overcome these risks.

- 216. The head of the team responsible for the oversight mission is required to officially and in writing disclose any deficiencies or shortcomings observed in the team's composition regarding professional competency and practical experience as outlined in the international standard ISSAI 3000:63,75. An official form shall be filled out in this regard, affirming the expertise and professional competencies of the team members, as the homogeneity and integration of the team significantly impact the subsequent phases of the audit process, whether in the planning stage of oversight or in executing the audit process, writing reports, and other stages
- 217. It is essential to initiate the auditing process by issuing an official formation of a working team led by a team leader with job titles and professional competence, working in harmony and understanding with each other, and preparing an official matrix that documents the requirements for teamwork among team members with the highest efficiency.
- 218. Furthermore, team members must submit a declaration according to the approved forms in their supervisory bodies regarding conflicts of interest before starting any of the stages of the performance oversight process.

I. Control process planning

1. Collecting information on the subject of the oversight mission and the entity subject to oversight

- 219. It is essential to initiate the audit process with the issuance of an official formation of a work team led by a team leader with specific job titles and professional competence, who operate in harmony and understanding with one another. An official matrix documenting the requirements for teamwork among team members at the highest level of efficiency should be established.
- 220. It is important for the audit team to agree on a method for organizing and managing audit documentation from the outset of the audit assignment and throughout the implementation phases to ensure that appropriate audit documentation is collected and retained in accordance



with the policies and procedures of the Supreme Audit Institution.¹

¹Guide to the Implementation of the International Standards of Supreme Audit Institutions on Performance Auditing - October 2020 INTOSAI

221. The most important documents and working papers that must be kept and documented during the planning phase of the performance audit mission are the following, for example, but not limited to:¹:
- Index of information contained in the file.
 - A memorandum of all major decisions and communications documenting decisions, activities implemented, and internal and external communication during the planning phase of the audit mission..
 - Statement of independence of those charged with the task.
 - The audit plan includes the scope, methodology, and plans for collecting audit evidence.
 - Document initial meetings with the entity to explain the audit mission and clarify its objectives and methodology.²
 - Summaries or copies of important legal documents, agreements, and meeting minutes.
 - Information regarding the industrial and economic environment of the entity subject to audit, and the legal environment within which the entity operates.
 - Evidence about the planning process includes audit programs and any changes to them.
 - Evidence of the auditor's understanding of the accounting system and the internal control system.
 - Evidence about assessments of inherent risks, control risks, and any changes thereto.
 - Evidence about the auditor's opinion on internal audit work and the conclusions he reaches.
222. The process of collecting data, documents and papers is considered the most importance, within the initial survey process³, This requires paying full attention to it, as it will provide many advantages, the most important of which is helping to understand the activity, providing sources for control standards, and being able to conduct some initial tests., These documents are divided into several types:
- **Legal documents:** It is considered one of the most important documents required due to their general and binding nature, such as the legislation regulating the sector or the activity of the entity subject to oversight, the executive regulations, as well as the

relevant ministerial decrees, decisions, and circulars, the decisions of the boards of directors, in addition to the contracts and agreements concluded between the entity and its various clients.

- **Financial and accounting documents:** The approved financial reports related to revenues, expenses, cash flows, assets, liabilities, profits, losses and related accounting entries, as well as the reports issued by the entity's internal and external auditors, are considered a primary source for information, through the indications it provides about the important activity centers in the region and helps in identifying the essential issues and topics in its activity.
- **Regulatory documents:** This type of document includes everything related to the organizational structures of entities, including defining the responsibilities and job descriptions of their departments and employees, and how they are distributed across work centers, as well as work procedure manuals and manuals for using automated systems.
- **Documents related to planning activities:** Related to the strategic and annual objectives, plans, and programmes of the entity or activity subject to oversight, as well as future studies and feasibility studies of projects and programmes.
- **Documents related to the implementation and follow-up of activities:** Represents achievement reports, activity reports, follow-up and audit reports, minutes of meetings of the relevant committees, and anything that indicates the status of implementation of programs and plans related to the subject of the audit.
- **Documents related to activity evaluation:** Surveys to survey customer or beneficiary opinions, as well as studies to evaluate the impact of programs and projects, in addition to official statistical data that can be obtained in the field.
- **Other related documents:** The confidential nature of the assignment may require requesting special documents, reports or data that would: An

Completing other documents that may highlight issues that require examination by auditors.

2. Conducting initial interviews with the officials concerned with the subject of oversight or the entity being monitored.

223. When conducting preliminary interviews aimed at understanding the entity and its environment and the circumstances in which it operates, meeting minutes should be prepared to document these interviews and kept in the permanent file for the audit subject (the entity being audited).

3. Documenting the examination and evaluation of the internal control system

224. In the internal control system evaluation stage, the auditor must prepare a detailed report on the evaluation mechanism and its elements, and the results of that evaluation must be documented, preserved, and can be referred to as evidence when needed. The most important elements that must be in the report includes the following:
- Information systems for laws, accounting and financial reporting.
 - Understand control activities.
 - The nature of control tests.
 - The effectiveness of control activities.
 - Related control risks.
 - Directions and guidelines related to system testing.

4. Identify and assess risks

225. The risk register prepared and approved by the risk management department of the relevant authority for the audit task is one of the most important documents that should be retained by the audit team, as it is relied upon by the auditor to prepare the risk matrix in order to evaluate and prioritize audit topics according to their importance and level of risk.
226. If the risk identification process is fully based on the efforts of the audit team, it is also necessary to include in the documentation of the control process all documents that

demonstrate the basis followed in the assessment, whether through workshops or brainstorming, SWOT analysis, Risk Verification Diagram (RVD), or through surveys.

- 227. It is essential for the auditor to have an active anticipation of potential supervisory risks, along with a contingency plan to address and mitigate those risks, ensuring that documentation is in place on how these risks will be handled should they arise. (3000:52 ISSAI).
- 228. It is essential to document the risk assessment process and identify high-priority risks, which are usually evaluated by measuring the impact of the event and the likelihood of its occurrence within a specific timeframe. Documentation in this case is done through an approved risk management matrix.

5. Effective communication with stakeholders

- 229. Effective communication with the relevant entity or entities concerned with the subject of the audit and stakeholders throughout the auditing process, including the planning stage of the oversight process, should be documented with official correspondence or certified meeting minutes as much as possible (3000:55 ISSAI).
- 230. Notifying the concerned entity about the performance audit topic, its objective, standards, and questions should be clear and explicit, free from any ambiguity or omission of facts, to create a basis for exchanging views and avoiding misunderstandings, as well as to facilitate the oversight task (3000:57 ISSAI).

6. Fraud risks

- 231. The audit team is required to collect the documents and records related to the preliminary analyses conducted on all risks associated with the initial study of activities and processes most likely to be exposed to fraud risks, ensuring that this process includes documentation of the factors that influence those risks.

7. Expert support (ISAAI 3000:65)

- 232. The performance audit, with its three elements of economy, efficiency, and effectiveness, along with the variety of activities covered by the audit, requires the assistance of specialists from within or outside the supreme audit authority.
- 235. An expert is defined as a person or institution that has sufficient skills, experience, and knowledge in a specific field of expertise, making their opinion a supporting and complementary reference to the professional opinion of the auditors.
- 233. The decision to seek assistance is primarily determined by the audit team that will carry out the task by submitting a documented request to the senior management of the supreme audit authority, requesting the assistance of a specialist expert in a field relevant to the audit task.
- 234. The expert must commit to providing all necessary declarations that document their compliance with the

regulations established by the supreme audit authority and ensure that their work is objective, and their working methods align with the objectives and policies of the supreme audit authority.

235. All procedures for hiring an expert must be documented and included in the working papers. The report issued by the expert remains the property of the Supreme Audit Institution, and the audit teams remain responsible for issuing professional opinion.
236. All procedures for obtaining expert assistance must be documented and included in the working papers, and the report issued by the expert remains the exclusive property of the higher auditing body, while the audit teams remain responsible for issuing the professional opinion.

8. planning and the program Auditing

237. It is important for auditors to prepare a written control plan.⁴Each audit task has a role to guide the work and ensure that the audit task is properly designed. The form and content of the audit plan may differ depending on the audit task, as: The audit team prepares a plan and program. Audit and document it According to the following:
 - Establishment Law Supreme Audit Institution, And related laws.
238. Control guides and issued forms or approved by the Supreme Audit Institution and automated 240. A draft audit plan document is prepared, which includes the main directions for the audit and the processes necessary to guide the audit team, and should include the following: • The knowledge and basic information necessary to understand the subject of control and the entities being controlled. • The objective(s) of the control, questions, standards, scope, and the time period to be covered (audit mission planning matrix). • Results of the risk assessment. • Methods for collecting evidence and conducting control analysis. • Work implementation plan, including key tasks, timelines, milestones, and

resources (including team members and the extent of the need for external expertise) (ISSAI 3920:58).

239. The audit team prepares the audit plan and program to achieve the following purposes:

- Documentation of audit procedures performed.
- Specify the planned audit procedures in sufficient detail to serve as a guide for audit team members to ensure efficient and effective performance.
- Assist in delegating, supervising, reviewing, and assigning responsibility for the supervisory work of team members.
- Coordinate the implementation of planned audit procedures.

240. In addition to the importance of documenting the proposed design of the audit plan, it is necessary that the audit plan and program for the assignment be approved by the supervisor and senior management of the Supreme Audit Institution in accordance with the mandates granted in this regard. (ISSAI 3000:104).

241. The head of the auditing team must document all procedures for modifying the program and the procedures for presenting it again to management for approval. This documentation, in this case, includes all procedures for continuously developing the auditing program, whether in terms of the content of the audit work by adding goals and additional control tests that have proven to be important to add, or in terms of the timeline and resources used by reassessing the needs in light of recent developments, especially in the case of important topics that must be communicated to management and discussed in a timely manner without waiting until the audit task is completed.

II. Implementation of control works

242. The auditor documents important matters before, during, and after the execution of the audit work, which provide evidence to support their opinion, as well as evidence that the audit process has been conducted in accordance with international auditing standards. Documentation refers to the working papers prepared by the auditor or obtained and retained due to their relation to the audit process, and these working papers can be

in the form of information stored on paper, films, electronic means, or any other medium.¹ Timely documentation.

1. Real-time documentation appropriate⁵

243. The auditor must prepare sufficient control documentation for the audit process to enable an experienced auditor, as well as an auditor without prior knowledge of the audit work, to understand the nature, timing, and extent of compliance of control procedures with the relevant standards and applicable legal and regulatory requirements, the results of those procedures, and the control evidence obtained alongside important issues arising during the audit, and the conclusions reached regarding them along with significant professional judgments made by the auditor to arrive at those conclusions.
244. Preparing working papers and proper documentation for audit work in a timely manner is important for several reasons, as it achieves the following:
- It confirms the auditor's opinion and reports and supports them.
 - It serves as a source of information for preparing reports or responding to any inquiries from the concerned authority regarding the audit issue.
 - It serves as evidence of the auditor's adherence to audit standards.
 - It facilitates planning, supervision, and review.
 - It aids in the professional development of the auditor.
 - It helps ensure that work is performed satisfactorily.
 - It provides evidence of completed work for future reference.
 - Adequate documentation is considered a part of the professional development of the supreme audit institution, and it defines the good practice of similar audit tasks in the future.
245. In the case that the party fails to provide the required documents within the specified time after being given the necessary grace period, it is advisable to document their

⁵Fundamental Principles of Financial Auditing ISSAI 200 paragraphs 70, 71, Performance Auditing Standards ISSAI 3000 paragraphs 86, 87, 88.

request in the form of a dated letter addressed to the relevant authority regarding the oversight officially so that this document serves as evidence of the unavailability of the information when requested during the audit process. Additionally, the escalation procedures regarding this matter should be documented for the senior management of the higher oversight authority.

2. Form and content of working papers⁶:

- 246. The auditor should prepare working papers in a complete and detailed manner to provide an overall understanding of the audit process, and to establish a sufficient amount of supportive evidence for the audit findings.
- 247. The auditor must record information related to the planning of the audit process in the working papers, in addition to documenting the nature, timing, and scope of the audit procedures performed, as well as recording the results and conclusions drawn from the evidence obtained. The working papers should contain the auditor's justification for all important matters that require the auditor to make judgments and conclusions about them. In areas that include basic inquiries or difficult judgments, the working papers should include the relevant facts that were known to the auditor at the time conclusions were reached.
- 248. The working papers and all documents related to the methodology and fieldwork results are considered essential documents that are as important as what will be included in the audit report. Therefore, it is necessary to collect and preserve all those documents during and after the completion of the audit process. (3100 :114 ISSAI).
- 249. The size of working papers is considered a matter of professional judgment, as it is neither necessary nor practical to document all matters reviewed by the

auditor. When estimating the volume of working papers to be prepared and retained, it is beneficial for the auditor to consider the essential issues that should be provided for another auditor who has no prior experience with that audit process in order to provide an understanding of the audit that took place and the basis relied upon for making key decisions, rather than knowing the details of the audit process through discussions with the auditors who attended the working papers.

250. The form and content of the working papers are influenced by many factors, including:
- The nature of the assignment.
 - The format of the auditor's report.
 - The nature and complexities of the audited entity's operations.
 - The nature and condition of the accounting system and internal control system of the audited entity.
 - The need in certain cases for direction, supervision, and follow-up of the work performed by assistants.
 - The specific methodology and techniques used during the audit process.
251. It is designed and organized working papers to meet the conditions and requirements of the auditor for each audit. The use of standardized working papers (message templates and standardized organization of working papers) may help improve the efficiency of their preparation and follow-up. Working papers also facilitate the process of assigning work and provide means for monitoring its quality.
252. In order to improve the efficiency of the audit, the auditor may use tables, analyses, and other documents prepared by the audited entity. In such cases, the auditor must ensure that these materials have been prepared properly, and then Keep a copy of it as evidence for the audit mission..
253. It is necessary for the auditor to ensure that the working papers, during the implementation phase of the audit work, include the most important information, evidence and indications that support what was accomplished during that phase, and the most important thing it includes is:

- Transaction and balance analysis.
- Analysis of important ratios and trends.
- A record of the exact timing, and scope of audit procedures performed, and the results of those procedures.
- Evidence that the work completed by the assistants was supervised and followed up.
- Identify the names of the auditors performing the audit procedures, and when they were completed.
- Copies of communications with auditors, experts, and third parties.
- Copies of letters or memoranda relating to audit matters that were communicated or discussed with the audited entity, including the audit notification letter, significant weaknesses, and the internal control system.
- Evidence relating to deviations recorded in light of audit standards
- Letters received from the entity subject to oversight specifying the names of specialists dealing with auditors.
- Copies of the financial statements and the auditor's report.

3. To implement Document inspection:

254. Maybe to Indicate that supervisory guidance on documenting the selection processes for the methods used for implementation a Inspection work so that the auditor is directed to include the working papers of the inspection method if it was built on the examination of samples, the method of selecting the sample and the characteristics of that sample.

4. Interviews

255. It is to be ensured as much as possible when conducting personal interviews or holding technical meetings related to certain tests or aimed at obtaining clarifications or confirmations, that these interviews and the information they contain are officially documented through meeting minutes, in case the information contained therein is to be relied upon.

5. Financial and statistical analysis:

256. It is natural and very important to document all financial and statistical analysis processes and to retain them along with all financial statements and data that were relied upon in the analysis process.

6. Conducting surveys

257. Due to the importance of the survey method and the heavy reliance on it in performance monitoring operations, it is necessary to keep all the questionnaire papers as well as the statistical results for analyzing that questionnaire, which was relied upon in extracting the professional results and performance Control Report Counter.

7. Additional evidence

258. Based on the risk assessment conducted during the planning phase, the auditor must ensure during the inspection and audit process to collect further evidence and supporting documents and to document them within the working papers in the following cases:
- There are high risks associated with control procedures.
 - The increasing importance of the issue from the financial, social and political aspects (3000:83, 3100:109ISSAI).
 - Poor compliance, transparency, and governance and the questioning. (3100:109ISSAI)
 - There is a need to deepen judgment in the performance of oversight or evaluation of results;
 - The presence of evidence of significant relative importance (having a significant impact on conclusions regarding the regulatory objectives).

8. Use of resources

259. It is essential that all the audit team's use of the resources allocated for the audit mission be documented in full detail, as well as the working hours

for all individuals of the team, and this documentation may be electronic or in the form of special working papers within important events. (3920ISSAI).

9. Supervision and follow-up

- 260. All supervision and follow-up work must be documented.⁷ The review of audit work is conducted by multiple levels within the Supreme Audit Institution, depending on the accuracy and sensitivity of the steps followed and the degree of difficulty and complexity of the work required to be carried out.
- 261. All follow-up work must also be documented in accordance with the approved timetable for completing the audit assignment and compared with the actual period. This is to identify any delays in the progress of the assignment and take the necessary measures to avoid delays that may affect the completion of the assignment on the scheduled date.
- 262. It is also necessary to inform senior management in of the Supreme Audit Institution periodically updates on developments in the progress of auditing the entities subject to oversight through periodic meetings or monthly activity reports, and informing them, when necessary, of difficulties and problems that may affect the normal course of work, which necessitates requesting intervention when necessary to resolve these problems in order to complete the task within the specified deadlines.

10. Quality control

- 263. Documenting the aforementioned supervisory and follow-up work by senior management levels ensures high quality and reliability in the professionalism and objectivity of the inspection and audit procedures at various stages of the oversight process, from the beginning of the planning process through the performance of the oversight and up to the issuance of the report.⁸

7INTOSAI 3000 Standard ISSAI Paragraph 66.

⁸Central Concepts of Performance Control GUID 3910/101,102

- 264. All formal or informal consultative meetings held within a single team, between audit teams, or with specialists within or outside the agency must be documented, as such consultation enhances quality, improves the application of professional judgment, reduces risks and errors, and leads to sound conclusions at all stages of the audit process.⁹
- 265. In compliance with the principles contained in the international standard ISSAI 140 Regarding quality control, it is necessary to select a contractor from outside the audit team to prepare a documented report on his review of quality control regarding all stages and procedures of the highly important audit mission, so that the evaluation includes all procedures of the audit process in all its stages and the mechanism for identifying risks, selecting topics, completing audit operations, issuing important judgments, and the results included in the report..¹⁰

III. Fifth: Completion and review

1. Collecting evidence

- 266. It is a process that should preferably be parallel to the examination and auditing activities, where initial results should be documented with evidence and necessary means of proof to support audit results and to justify the findings and recommendations that will be included in the audit report.
- 267. The INTOSAI ISSAI 300:38 standard states that sufficient, appropriate, and reasonable evidence should be obtained to support the auditor's judgment and conclusion regarding the organization, or programs, activities, or functions being audited.
- 268. The ISSAI 3100:115, 118 standard emphasized that auditors must have a deep understanding of techniques and procedures for collecting, storing, and protecting evidence.

⁹Central Concepts of Performance Control GUID 3910/103

¹⁰Central Concepts of Performance Control GUID 3910/104

269. When selecting methods and procedures, consideration should also be given to the quality of evidence, which must be sufficient, relevant, and of reasonable cost.
270. The auditor is keen to include the working papers during the stage completion and review of all the auditor's conclusions related to aspects of the audit process, including how to address exceptional and unusual matters, if any, discovered through the auditor's procedures.

2. Varieties evidence

271. Audit evidence is divided into several categories and is characterized by a number of specifications that must be met to support the audit findings, which are:
- **Physical evidence:** This type of evidence is recorded in documents such as reports, minutes of visits, or inspection reports, and may be accompanied by audio and visual aids such as photographs and videos (while observing legal restrictions imposed by some entities) or documentary evidence such as drawings and maps or physical evidence such as samples and models of materials and goods.
 - **Documented evidence:** Documented evidence includes everything that is supported by a paper document such as letters, contracts, and minutes, or an electronic document such as data from automated records and their statements.
 - **Analytical evidence:** These are the conclusions, comparisons, and inferences drawn by the auditor through financial or statistical analyses they perform, representing rational and logical evidence. These analyses should be correct and significant, and the auditor must demonstrate the method used to arrive at these conclusions.
 - **Oral evidence:** is all information that reaches the knowledge of the auditor regarding the performance of the entity subject to audit or related to the audit subject, which can benefit the auditing process after verifying its credibility. The sources of this evidence are usually testimonies, interviews, and statements from a known and reliable source within the audited

entity, and such evidence is only relied upon if it is obtained in written form and certified.

3. Evidence specifications

272. Evidence must be sufficient, admissible and significant.¹¹:

- **enough:** It is the set of sufficient evidence that allows anyone to reach conclusions similar to the results reached by the auditor. Determining a sufficient amount of evidence sometimes requires the use of statistical methods to determine the sample size that allows the conclusions to be generalized and the results to be confirmed.
- **Acceptable:** For evidence to be valuable, it must be reliable, credible, and accurate to the highest degree, without raising doubts about its validity and reliability.
- **Significant:** The relationship between the information contained in the evidence and the conclusion drawn must be a logical and associative relationship, and the evidence must be so strongly supportive of the conclusion that drawing conclusions contrary to the intended conclusions is unlikely., Otherwise, the information is useless and should not be relied upon as evidence., One of the general rules adopted to prove strength and reliability is: The evidence is that:
 - Documents with a known source, signature, and date are more reliable than documents with an unknown source or unsigned or undated documents.
 - Evidence from multiple sources is more reliable than evidence from a single source.
 - Evidence from a good control system is more reliable than evidence from a weak internal control system.
 - Evidence resulting from observation, observation, and physical examination is more

¹¹*INTOSAI Standard 300ISSAI Paragraph 38.

*International Standard on Auditing No. 230ISA

reliable than evidence transmitted transparently. Or issued from indirect sources.

- Original documents are more reliable than copies.
- Recent documents are more reliable than documents from long ago.

4. Analysis operations

273. The analysis operations carried out by the auditor after completing the examination, auditing and compilation process. The data documents must be preserved and made available within the audit process documents, due to its importance in credibility and transparency to the auditor's work and mechanism, analysis and conclusions. (3100:114)ISSAI

5. Consistency between the objectives of the audit mission and the auditor's conclusions

274. Since paragraph 125 of the ISSAI 3000 standard emphasizes the necessity of consistency between the objectives, questions, results, and conclusions of performance audit tasks, it is essential that all of this is supported by documents and working papers that can be referred to for comparing what has been derived by the auditor from the results with the objectives of the audit process.

IV. Reporting

1. The importance of issuing the report

275. INTOSAI defines the audit report in general as: "A set of the auditor's opinions and observations on the financial statements obtained as a result of a financial audit, a compliance audit, or an audit of results." The audit report derives its importance from the importance of the main objectives of performance auditing and the extent to which they are achieved. Thus, no audit process or task can be completed without issuing a detailed report on the results of the audit process.

276. The general framework for the performance audit report must be built to achieve what is stated in the general standards for all types of auditing and provide audit documents by describing the standards of the auditing task carried out and the operations. The analytical approach adopted, the conclusions drawn, and how they were reached.
277. Documenting the audit work at the reporting stage goes beyond merely confirming the validity of the facts. The report must include a balanced and fair study of all the different questions and viewpoints accepted and rejected by the auditor regarding the audit topic..

2. Specifications related to the report format

278. INTOSAI has set several specifications related to the report's format, which it recommends adherence to in order to ensure the report's credibility. These specifications are as follows:
- Writing a written, documented, and classified report.
 - Insert date and signature.
 - State the purpose and scope of the audit...
 - Mention the organizational units of the entity subject to oversight. Or concerned with the subject of censorship and the audit period.
 - Legal authorization reminder to the Supreme Audit Institution.
 - Mention the standards and methods adopted in the examination...
 - Include all data and information except for confidential information related to personal data of individuals or data related to the supreme interests of the state.

3. Methodology for formulating the report's findings and recommendations

279. It consists of audit report is a set of findings and recommendations on the audit work on the performance of the entity subject to audit. In general, or on a specific subject that has been audited, the audit result consists of basic elements that must be available

to ensure credibility, objectivity and significance in presenting the results of audit work.¹²It is as follow:

- Event description.
- Mention the standard.
- Provide reason.
- Highlight the impact.
- Then the recommendation is formulated.

4. General guidelines for preparing the report

280. Considering that the audit report is the most important document documenting all stages of the examination and audit process for the subject of performance auditing, the report must therefore be comprehensive, convincing, easy to read, balanced, and submitted in a timely manner. (ISSAI 3000:116).
281. The consistency between the audit results and its objectives must be taken into account, so that the objectives and questions of the audit mission are answered. If it is not possible to provide those answers, the reason for that must be explained. ISSAI 3000:124).
282. Since the aim of performance audit is to measure the performance of the government agency, the report must include the necessary recommendations to address the weaknesses (:1263000ISSAI).
283. When documenting, it is advisable to establish a linking system between the references of the audit report and the working papers, which facilitates the beneficiary of the report must review everything that supports the auditor's judgment and conclusion in the report. (3100:117)ISSAI).

5. Report documentation and issuance mechanism

284. The first draft of the report must be supported by working papers and evidence and submitted for approval in accordance with the established mechanism and the powers granted by the Supreme Audit Institution.
285. The opinion and comments of the audited entity on the audit results, conclusions and recommendations must be documented and preserved before the report is

¹²INTOSAI 3000 Standard ISSAI paragraphs 126,127.

- officially issued within the working papers, due to its importance in issuing a balanced, objective report. (3000:120,130)ISSAI).
286. The performance audit report must also include the auditor's opinion and the views of the entity subject to audit. (3000:131)ISSAI)
287. If the comments of the party concerned with the subject of oversight included new information that led to an amendment to the oversight report, then these amendments must be referred to and included in the working papers for documentation to enhance the principle of transparency regarding the reasons for introducing changes to the draft report or not. (3000:132)ISSAI).
288. All supervisory reviews and other quality control safeguards at the reporting stage must be documented. (3000:86, 3100:114)ISSAI).
289. One of the most important objectives of the audit process is to inform stakeholders, others, and the public of the results of the performance audit mission. This requires the distribution and publication of the final report approved by the Supreme Audit Institution to all beneficiaries, with the exception of confidential information. ISSAI 3000:133).
290. Document and maintain correspondence and emails related to the report to and from officials of the audited entity or an external party involved in the audit. (3100:114)ISSAI).

V. Follow-up procedures

291. Takes over supreme Audit institution carrying out follow-up work on his previous reports, as he is responsible for organizing and documentation a comprehensive mechanism to follow up on the implementation of recommendations, including the implementation of tasks when necessary.(According to the importance of the recommendations and in light of the Supreme Audit Institution's audit of a significant number of entities,(It was not possible to carry out field follow-up missions for all reports and recommendations)Aims to return to the same party

that was previously audited and followed up operation procedures that took it to implement the recommendations contained in previous reports.

292. One of the procedures that help in planning this process is requesting an action plan. Accompany response to the report from the audited party, including details recommendation implementation procedures, responsible person, and time frame the device can also be placed. Periodic follow-up procedures (e.g., monthly) by sending forms that include the status of implementation of recommendations. It includes documentation. Statements authorities concerned with the subject censorship in a way official about the expected procedures to complete implementation he recommendations so that the device by making careful use of its resources in implementing follow-up tasks and avoiding reaching conclusions indicating either that the authorities have not implemented the recommendations or that their implementation is slow.
293. Documenting the process of following up on the results of the control process on the disease and the recommendations it included through issuing a report to the legislative and executive authorities and the public is of great importance in enabling the relevant authorities to hold government departments accountable, and encourages the government entity to take the agency's reports more seriously, as well as highlighting the role and importance of reports Censorship performance and rich positive (ISSAI 3000:136, 3920:152).

1. Implementation of follow-up work for previous tasks¹³

294. In addition to the entity's formal responses to the report's findings and recommendations, when follow-up work begins, a meeting must be held with official minutes or an official letter must be sent to the entity concerned with the audit to inform them of the implementation of the report's recommendations.

¹³. INTOSAI Standard on Performance Audit Procedures ISSAI 3920, Clause No. 152.

295. The entity's statements cannot be satisfied. Rather, its statements must be supported by supporting documents and data to serve as evidence for the auditor, as is the case during the inspection and auditing phase.
296. If necessary, and inspections, field visits, and personal interviews are conducted to verify the validity of the entity's statement, the auditor must document all such operations and record them as official evidence.
297. Regarding recommendations that were not implemented, an official statement must be obtained from the entity subject to the audit regarding the reasons for non-compliance, to be included in the follow-up report.

2. Preparing follow-up reports

298. The report is prepared including:
 - Comment on the Authority's response regarding the recommendations contained in the report supreme Audit institution previously reported to her, including recommendations (implemented, under implementation, not implemented).
 - Preparing a section on the results and recommendations of the follow-up work.
 - The auditor must specify in his report whether following up on a recommendation requires a new audit mission. (ISSAI 3000:141).
299. The initial draft of the report must be supported. With papers work and evidence and lifting for accreditation according to the mechanism followed and the powers granted by the Supreme Audit Institution, and after approval, a copy of the approved follow-up report will be received. To the party concerned with the audit to be distributed and published for owners the interest. (ISSAI 300:42).

VI. Storage procedures

1. Confidentiality, safekeeping, retention, and ownership of working papers¹⁴

- 300. Performance audit reports reflect an assessment of the sectors covered by the audit and their senior management, as well as their achievement of the desired objectives and their compliance with strategic plans or lack thereof. Here lies the importance of the auditor maintaining confidentiality and safeguarding working papers and evidence supporting the results of the audit mission in accordance with auditing standard 230.
- 301. Working papers must be retained for a sufficient period of time to comply with legal, regulatory, administrative and professional requirements for record keeping, whether after the completion of the audit or after the completion of follow-up work. (3100:118) ISAAI.
- 302. Since performance auditing involves a significant expansion in the collection of personal data or information, it is necessary to keep that information secure and sufficiently confidential, considering that such information is highly sensitive. (3100:115 ISSAI).
- 303. Working papers are considered audit property, and although parts or extracts from working papers may be sent to the entity under audit at the auditor's discretion, they do not replace the accounting records of the entity being audited.
- 304. In addition to what has been explained in the previous sections regarding the documents and procedures that need to be documented, by the end of the audit process, the auditor must ensure that key records related to performance auditing are documented and preserved, including: a. Details of the audit plan and methodology, b. Results of fieldwork, c. Communication and feedback with the audited entity, d. Review resulting from supervision, and other quality control procedures. (3100:114 ISSAI).

2. Permanent file

¹⁴International Standard on Auditing Documentation 230 Confidentiality, Safe Custody, Retention, and Ownership of Working Papers Paragraphs 13, 14

305. Permanent file must contain of all documents related to the subject of control as well as the concerned party, it is generally characterised by stability between different financial periods, or the change in it occurs over relatively long periods. These documents are divided into the following:
- Legal documents: These are among the most important documents required due to their general and mandatory nature, such as the legislation regulating the sector or activity. The subject of censorship or the entity subject to oversight and executive regulations, as well as the relevant ministerial decrees, decisions, and circulars, and the decisions of the boards of directors, in addition to the contracts and agreements concluded between the entity and the various parties dealing with it..
 - Financial and accounting documents: Approved financial reports related to revenues, expenses, cash flows, assets, liabilities, profits, losses, and related accounting entries, as well as reports issued by the entity's internal and external auditors, are considered a primary source of information, through the indications they provide about the entity's important activity centers and help in diagnosing the essential issues and topics in its activity...
 - Organizational documents: This type of document includes everything related to the organizational structures of entities, including defining the competencies and job descriptions of their departments and employees, and how they are distributed to work centers, as well as work procedure manuals and manuals for using automated systems...

- Documents related to activity planning: related to the strategic and annual objectives, plans, and programs of the entity or the activity subject to oversight, as well as future studies and feasibility studies for projects and programs...
- Documents related to the implementation and follow-up of activities: These include achievement reports, activity reports, follow-up and audit reports, minutes of meetings of the relevant committees, and anything that indicates the status of implementation of programs and plans related to the subject of the audit...
- Documents related to activity evaluation: questionnaires to survey customer or beneficiary opinions, as well as studies to evaluate the impact of programs and projects, in addition to official statistical data that can be obtained in the field...

3. Working Papers File (Current File)

A- Electronic folder structure¹⁵

306. The main folder should consist of administrative documents, background materials, planning materials, evidentiary evidence, evidence analysis, draft report, and follow-up report. Documents should also be collected and stored electronically for easy storage and retrieval. The structure of the electronic folder should be based on the needs of the audit team and in accordance with proper procedures to maintain the confidentiality of documents and working papers and their secure storage.

¹⁵ Guide to the Implementation of the International Standards of Supreme Audit Institutions on Performance Auditing - October 2020 INTOSAI

B- Organizing papers the job in the current file

307. The working papers file is of great importance to the business performance control. This file contains all the documents collected before, during, and after the audit mission. It includes all the documents and records related to the progress of the audit mission, including the audit forms that were prepared and the evidence that was collected. The working papers generally represent the link between the field work and the audit report. Therefore, they should be complete, organized, and sufficiently detailed, enabling the audit process to be understood and followed through at all its stages and steps.

C- Requirements for working papers

308. The working paper file must be responsive to the specifics of the audit mission, general controls must be adhered to ensure the expected effectiveness of working paper files. One of the general features of working papers is that they must be:
- Easy to review.
 - Arranged in logical sequential order.
 - Complete, accurate and clear.
 - Of known origin and bearing the name of the issuing authorities.
 - Related to the audit topic.
 - Updated and with dates of issue.
 - Preserved in a way that preserves its confidentiality and safety from damage and loss.

D- Methodology for organizing assignment files and paper worksheets

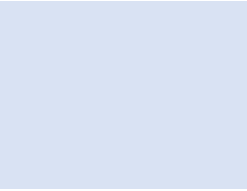
309. The documents and working papers are organized into task files according to order (Index)

predetermined.¹⁶ And following this order, working papers should be numbered according to the following:

- All worksheets under each section of the file must be numbered.
- Each topic must be listed under its relevant section, and all audit steps must be signed by the auditor and dated with the dates they were performed.
- The working paper prepared by the auditor must include many basic elements as shown in Attachment No. (6)-Working paper indexing form.
- If there are procedures in the audit program that have not been implemented for any reason, a working paper must be prepared showing the reasons for not implementing them.
- Unnecessary copies should be avoided and only the working papers prepared for them should be kept in a file other than the working papers file when the need for them is determined, provided that they are disposed of upon completion of the audit work and issuance of the final report.
- All audit findings in the working papers must be linked to the findings in the first draft of the audit report.
- Do not use pencil in working paper files.
- No working paper should be retained on auditors' computers after they have been completed. This paper should be stored in the working papers file. Auditors must also ensure that all items related to completed audit tasks are clear of auditors' computers before they begin other audit tasks.
- Each person responsible for the task must review the working papers of the audit team members and work to correct and amend them as necessary in accordance with established procedures.

¹⁶Attachment No. (9) is a form for indexing the working papers file.

E- Methodology for organizing electronic assignment files and worksheets



In parallel with paper files, assignment worksheets are stored in electronic format in designated folders. (Folders)In the automated interior network of Supreme Audit Institution.

Chapter 4

Documenting procedures in compliance supervision

1. The auditor should prepare audit documentation in sufficient detail to provide a clear understanding of the work performed, the evidence obtained, and the conclusions reached. The auditor should prepare audit documentation in a timely manner and update it throughout the audit process and document the supporting evidence for the observations before issuing the audit manual.
2. The purpose of documenting the audit work performed is to enhance transparency regarding the work performed to enable an experienced auditor who does not have prior knowledge of the audit assignment to understand the important issues that arise during the audit assignment and the conclusions/opinions. Audit documentation includes the following:
 - Explanation of the topic of censorship.
 - Risk assessment, control plan and strategy, and associated documents.
 - Methods applied and control period covered.
 - The nature, timing, scope and extent of the control procedures implemented.
 - The results of the completed control procedures and the evidence obtained.
 - Evaluate audit evidence supporting observations, conclusions, opinions, and recommendations.
 - The judgments/estimates made during the course of the audit to reach the conclusions.
 - Communication with the audited entity and its responses.
 - Moderator reviews and quality control assurances.
3. Documentation should be sufficient to demonstrate how the auditor determined the audit objective and subject matter, the criteria and scope, as well as the reasons for choosing a particular audit approach. For this purpose, documentation should be organized to enable a clear link between observations and supporting evidence to be assessed.
4. The auditor should also establish appropriate procedures to maintain the confidentiality and integrity of audit documents, and to retain them for a period sufficient to meet legal, regulatory, administrative and professional requirements for record and file preservation and for follow-up work on the audit process.

5. The main files that must be prepared and all related documents must be kept through the implementation of each stage of the audit mission as follows:

Current file	Planning phase
Current file	Implementation phase
Current file	Evaluation phase
Current file and it is transferred to the permanent file.	Reporting stage

Table No. 3: Main files to prepare and keeping its documents under compliance control.

I. Pre-censorship stage

6. When determining the audit subject to be measured and evaluated, and the relevant audit criteria derived from the basic legislation established by law makers (rules and regulations, treaties and agreements, code of professional conduct), the following documents are prepared and kept in the audit file:
- **Memorandum of Understanding** It is a document directed to the audited entity and contains data related to the nature and scope of the audit mission, the audit approach, the timeframe, and the format of the report. It also specifies the responsibilities of the audited entity with regard to providing the data necessary to complete the mission and the equipment related to the work of the audit mission team.
 - **Commitment to the Code of Ethical Conduct** A document demonstrating the extent to which the audit team adheres to the code of professional conduct approved by the Supreme Audit Institution.
 - **View previous audit files** A document that includes the audit team's commitment to reviewing the permanent files related to the audited entity, which were prepared within the framework of audit missions completed in previous years and which constitute background information on the department, as well as the audit observations reached in light of previous audits.

II. Control process planning

7. The auditor should develop and document a control strategy and a control plan that describe the method completion of the control process In order to produce appropriate reports in the circumstances, what resources are necessary to do so, and the time frame to accomplish it.

1. Comprehensive Control Strategy

8. The control strategy is the basis for determining whether control can be carried out, and describes Strategy. The control plan describes what will be done, while the control plan describes how it will be done.
9. The audit team is responsible for documenting the following data related to the audit strategy:
 - The objective, subject, scope, criteria and other characteristics of compliance audit, taking into account the powers and mandates of the Supreme Audit Institution.
 - Type of assignment (certification assignment, or direct reporting assignment).
 - The level of assurance that will be provided.
 - Distribute work to the audit team, including any need for experts.
 - Communicate with the regulated entity or those charged with governance.
 - The report, and the party to whom the report will be submitted, and the deadline.
 - Entities covered by the oversight process.
 - Relative importance assessment.

2. Control plan

10. It is the most important stage of the audit process and a requirement of international standards, as without proper planning, the risks will increase, which will make the audit non-compliant with the standards, and will not provide a sufficient or effective amount of evidence to support the professional opinion, and the audit will be ineffective and more costly, it may lead to conflict between the team of the supervisory authority and the entity subject to review.

11. It is important to follow a consistent approach to collecting and documenting key information that is essential to proper audit planning. The audit plan documentation process serves as a record of the effective performance of audit procedures so that the plan can be reviewed and approved. The plan documentation also includes any significant changes in the overall audit strategy and the detailed audit plan, the reasons for the significant changes, and the auditor's response to the events, conditions, or results of the audit procedures that resulted from these changes.
12. The control plan includes documenting the following:
 - The nature and timing of the control plan, the extent of planned control procedures and the timing of their implementation.
 - Assessing risks and internal controls relevant to the control topic.
 - Control procedures in place to address risks.
 - Potential audit evidence that will be collected during the audit process.
13. Within the framework of compliance control, the auditor should clearly identify and document the target users and the responsible party...
14. When starting to implement the planning process procedures, planning documents are prepared and all data, information and procedures related to planning are documented as follows:
 - Legal basis for the audit: where the tasks and powers of the Supreme Audit Institution are documented,
 - Objective and scope of the audit: The main objective of conducting an audit mission within the framework of compliance auditing is documented, which is to provide the target users with information about whether the audited entity is following parliamentary decisions, laws, legislative texts, policies, codes and agreements that constitute the relevant references regulating the subject of auditing/the entity that will be audited. The scope of the audit is also defined and documented. (The period to be covered by the audit) including a reference to the audit procedures to be prepared and designed to obtain audit evidence.
 - Understanding the activity of the entity subject to supervision and identifying and assessing risks related

to the nature and activity of that entity, where information is collected and documented about:

- The establishment of the regulated entity, the nature of its work, its main activities, its headquarters, its subsidiaries, and its major investments, as well as the relationships between the regulated entity and related parties.
- The regulated entity's funding sources and the legislation governing the financing process, debt structuring and management, borrowing sources, and the rights of owners and shareholders. A statement of the person responsible for the regulated entity's accounts and financial transactions, who must sign to certify their accuracy and proper presentation, and who is responsible for its financial transactions before Parliament.
- the strategy plan for the audited entity, including its strategic objectives and activities related to achieving those objectives, as well as performance indicators to measure actual performance efficiency and identify deviations.
- The organizational structure of the audited entity, its management, the duties and powers of its board of directors, obtaining a copy of the delegation of powers and distribution of responsibilities, and a copy of the board's decisions, which should be reviewed and evaluated. The main and subcommittees, the duties and powers of each committee, and a summary of the most important committees (members, their duties, separation of duties, and allowances received) are also included samples of the commissioners' signatures are also included.
- Any threats that affect the position of the audited entity in the future, whether external or internal factors.
- The basic legislation regulating the audited entity's work, government, monetary, and tax policies that impact its work, important administrative decisions, and minutes and documentation of board meetings.

- Financial summaries related to budgets, financial statements, and external audits.
 - Relative importance levels are the basis for audit planning, and are re-evaluated throughout the audit process, in addition to documenting the relative importance considerations in terms of nature, context, and value.
 - Corporate Governance Requirements (Appropriate Practices) To manage risks, a robust and independent oversight system, a code of professional conduct, a whistleblowing policy, and integrity, openness, and accountability measures.
 - Evaluating the internal control systems related to some of the main departments and activities in the department, such as (organizational procedures, the financial department, purchasing and supplies, human resources, information systems), and evaluating the work of the internal control units and the extent of reliance on them.
 - Identify and document the proposed audit approach, whether based on substantive examinations or systems and controls.
 - Audit programs, which represent a detailed, logical list of audit procedures required to achieve the required audit objective and enhance the auditor's conclusions/opinion regarding compliance with the applicable standards.
 - Timeline to accomplish audit work and report issuance.
 - All accessories related to the planning process.
15. The risks of material errors and fraud are identified and assessed throughout the planning process, and the assessment results are documented according to forms prepared for this purpose. As it is necessary observe comprehensive quality control procedures when implementing planning procedures, so that roles and responsibilities are clearly documented.

III. Implementation of control works

16. The auditor must perform audit procedures to obtain sufficient and appropriate audit evidence to formulate a conclusion at the chosen level of assurance, which requires him to do the following:

- Determine the required confirmation level, because the confirmation level chosen is what determines:
 - o **The nature and source of necessary evidence**, as the nature of evidence varies depending on the type of control tasks. For limited assurance, the evidence is often derived from analytical procedures and tests, whereas the auditor in reasonable assurance tasks needs to use all control techniques.
 - o **Sufficiency of evidence to formulate a conclusion**, as the auditor needs more evidence when formulating a reasonable assurance conclusion than when they want to formulate a conclusion for a limited assurance task.
 - o **Sufficiency of evidence**: a measure of the quantity of evidence necessary to support audit observations and conclusions. When evaluating the sufficiency of evidence, the auditor needs to consider whether the evidence obtained is sufficient to convince an informed person that the observations are reasonable.
 - o **Relevance**: a measure of the quality of evidence and includes:
 - Reliability/Significance of evidence: the extent to which the evidence is logically and substantively related to the issue being addressed.
 - Validity of evidence: based on the extent to which the evidence forms a reasonable and meaningful basis for measuring what is being evaluated.
 - Reliability of evidence: refers to the extent to which the audit evidence has been collected and produced in a transparent and reproducible manner. The auditor's selection of appropriate treatments for the assessed risks. These responses include designing control procedures that address the risks, such as in-depth (material) control procedures and testing of control controls.

17. The evidence-gathering process continues until the auditor is confident in the existence of sufficient and appropriate evidence to support the agreed-upon level of assurance and to support the auditor's conclusions or opinion. The amount of evidence required is related to the risk of control (the greater the risks, the larger the amount of evidence required). As for the quality of the evidence, the higher the quality, the less evidence is needed.

18. The auditor should choose a set of control techniques that enable him to formulate a conclusion at the selected level of assurance, where the auditor can gather evidence in one of the following ways:
 - Observation.
 - Examination.
 - Seeking information (inquiry).
 - External confirmations.
 - Reperforming.
 - Recalculation.
 - Substantive tests.
 - Testing the key control measures.
 - Analytical procedures.
19. The auditor should use control samples when appropriate to provide a sufficient quantity of items to draw conclusions about the group from which the sample was taken. When establishing a control sample, the auditor takes into account the purpose of the control procedure and the characteristics of the group from which the sample will be taken.

IV. Evaluation of the evidence and formulation of conclusions

20. The auditor should compare the evidence obtained with the control standards for formulating the observations noted that lead to control conclusions, and should do the following:
 - The auditor evaluates the evidence he has collected and the opinions of the parties using professional judgment/assessment and skepticism.
 - The auditor assesses whether there is sufficient and appropriate control evidence to formulate a conclusion.
 - The auditor should consider the relevance of the evidence collected to the audit observations in order to arrive at an objective and balanced view.
 - The auditor determines whether he is able to formulate a conclusion, perform further procedures, or modify his opinion due to scope limitations by evaluating the scope of the work performed (If it was enough/not enough).
21. Based on the observations made and the relative importance, the auditor should draw conclusions about whether the

subject of the audit complies in all respects of relative significance with the applicable standards, and should do the following:

- The auditor should assess whether the observations made are significant enough to conclude that the subject of the audit is sufficient in all respects of relative importance.
- The auditor should consider that relative importance can include the amounts concerned (monetary amounts) or other quantitative measures such as the number of employees or relevant entities, etc.
- The auditor should take into account the focus on the programs and their sensitivity (for example, whether it is a subject related to public interest) or within the needs of the legislative authority or the nature of the relevant references.

22. The auditor should communicate the level of assurance provided in a transparent manner, so as to give the intended users confidence in the audit results by explaining how the observations and conclusions were reached in a thoughtful and balanced manner.
23. For direct reporting engagements, the auditor needs to implicitly indicate whether the conclusions are provided with limited or reasonable assurance, while for attestation engagements, the level of assurance will be conveyed through the appropriate use of the audit opinion in accordance with the approved standards...
24. The auditor must keep and archive the following documents during the completion and review stages:
 - Subject of control.
 - Risk assessment.
 - Control strategy and plan.
 - Applied methods, scope, and the time period covered by the control.
 - Nature of the control procedures implemented, their timing, and scope.
 - Results of the applied control procedures and control evidence.
 - Evaluation of control evidence.
 - Estimates made during the control process including professional consultations and their rationale.
 - Communication with the body being audited and their response.
 - Supervisory reviews.

- Preventive actions taken.

V. Reporting

1. Conclusion formula in the audit report

25. The auditor should report the conclusion in the audit report. The conclusion may be expressed as an opinion, a conclusion, an answer to specific audit questions, or recommendations.

2. Opinion

26. It is a clear written statement to the auditor, expressed in a standardized form, either modified or unmodified, and it is stated in the audit report whether the cases of non-compliance are widespread/multiple.
27. Opinion is usually used in certification missions in the following forms:
 - **Unadjusted opinion:** It is used when no significant instances of non-compliance have been identified, and the opinion form – in a reasonable assurance assignment – is as follows: The following: "In our opinion [The subject of the audit in the audited entity] adheres to [the applicable standards] in all aspects of relative importance.
 - **Modified opinion:** It is used in the following cases:
 - a- Important cases of non-compliance: according to the extent of non-compliance, which leads:
 - Qualified opinion (if the deviations from non-compliance are significant but not numerous).
 - Contrary to "opposing" opinion (if the deviations from non-compliance are significant and numerous).
 - b- Specify (restrict to) the scope: Depending on the level of specificity, it may result in: have nothing the following:
 - Qualified opinion (if the auditor is unable to obtain clear and sufficient audit evidence about compliance with the references and the potential effects are significant but not exhaustive).
 - withhold (abstain from) E(Initial) Opinion (if the auditor is unable to obtain clear and sufficient audit evidence regarding compliance with the references and the

potential effects are significant and comprehensive).

3. Nature of the report

28. The report is one of the main parts of the audit. In certification missions and direct reporting missions, the results must be clear enough. To remove risks of misinterpretation, and the auditor must prepare a written report containing the audit observations that were identified, and opinions conclusions and recommendations in an appropriate and applicable format.
29. The auditor must prepare a report based on the principles of completeness and objectivity, timeliness, accuracy and right to reply:
 - The principle of completeness requires the auditor to consider all significant audit observations before issuing the report...
 - The principle of objectivity requires that the auditor exercise professional judgment and professional skepticism in order to ensure that the report is actually accurate and that the way in which the results and conclusions are presented is significant, fair and balanced...
 - The principle of just-in-timeness means preparing a report at the right time to be relevant to the target users...
 - The principle of accuracy and consultation requires checking the validity of the facts with the audited entity.
 - The principle of the right of reply means including the answers of the responsible party when appropriate and giving the answers and their own evaluations of those answers.

4. Report structure

30. The auditor must report counter using the following report structures which are available depending on the audit assignment assigned: AndtohAnd as the following:

Report Structure for Direct Report Assignments

The executive summary (report) of the work performed and the methods used is used to help the intended users understand the auditor's conclusions and to provide a brief explanation to the external reader of how the assignment was

carried out and the laws, legislation, rules and regulations that were used to accomplish the audit assignment.

The report should include the following elements (not necessarily in this order):

- The address
- Determine the standards adopted in carrying out supervisory work
- Executive Summary (if applicable)
- Description of the subject and scope of the audit task (extent and limits of the audit process)
- Regulatory standards.
- Explanation and justification of the methods/techniques used
- Results
- Conclusions based on answers to specific questions or opinions
- Audited entity's answers (if applicable)
- Recommendations (if necessary)

Report structure for certification missions :

31. Compliance audit results can be reported together with financial statements audit, and the SAI then verifies that requirements have been met either through compliance audit elements or as part of financial audit elements. Recommendations are often not included in the reports, and recommendations can be issued separately in a letter to management...
32. The report should include the following items (not necessarily in this order):
 - The address
 - Consignee
 - Description of information about the subject of control
 - Scope and limits of the audit, including the time period it covers.
 - Responsibilities of the responsible party and the auditor
 - Control standards
 - Determine control criteria and assurance level
 - Summary of work completed and methods used
 - Conclusion/Opinion
 - Responses from regulatory authorities (as needed)
 - Report date
 - The signature

Additions to the report structure - for supreme audit institutions with judicial authority:

33. The auditor must take into account (add) the role of the Public Prosecution or those responsible for handling judicial matters within the audit body and must include - as necessary - in both direct reports and certification mission reports the following elements:
- Identify the responsible party and the entities subject to supervision.
 - Responsible persons and their responsibilities.
 - Determine the standards adopted in carrying out the supervisory work.
 - Auditor responsibilities.
 - Summary of work completed.
 - Processes, paths, etc. involved Non-compliance and illegal acts

It includes:

- Description of the observations and their reasons
- Violated/Breached Legislation (Control Standards)
- Consequences of non-compliance and potential illegal actions
- Responsible persons and their explanations for actions that constitute non-compliance or illegal conduct
- Auditor's professional judgment
- The value of the losses/misuse/waste arising and the amount due resulting from personal liability
- Any actions taken by the responsible persons during the audit to compensate for losses/misuse/waste?
- Arrangements made by the administration regarding acts that constitute non-compliance or illegal acts.

5. Document follow-up procedures and save the topic

34. The auditor must decide to continue. Opinions/Conclusion/Recommendations for cases of non-compliance in the audit report whenever appropriate, which is represented by doing the following:

- The linear follow-up of the issues raised in the audit report and the measures taken by the regulated entity for correction.
- Preparation of an additional report in case it is found that the measures taken by the regulated entity for correction are insufficient.
- Continuously follow up on corrective actions.
- Evaluating corrective actions and the extent to which observations have been corrected, with the aim of informing the audited entity and report users of the effectiveness of corrective actions. The auditor relies on this to plan future audit assignments.
- Follow up on previously reported cases of non-compliance as well as those identified during the oversight mission. Current and special circumstances, and follow-up may include the issuance of legally binding reports or judicial decisions.
- Save the topic if all notes are corrected.
- The auditor should record these observations and consider them as part of the potential risks to be relied upon when planning future audits.

Chapter 5

Requirements in documentation of interest to the Courts of Accounts

I. Privacy Audits carried out by the Courts of Accounts

35. Devices form The Supreme Audit Institution with Judicial Functions is a special model of supreme audit institutions, distinguished from other institutions by its mandate to exercise judicial oversight over the legality of the accounts and management actions carried out by public managers and other officials responsible for managing public funds and funds similar to them.
36. Also, these devices, in addition to the normal audit and review functions, perform: With a job Punishment for the schemers public officials when they commit violations that require their responsibility to be raised or when the violations committed by them cause harm to a public body¹⁷.
37. And you want this function protects the proper management of public affairs, as well as the interests of the body subject to oversight, and consequently, the interests of the public authorities and citizens, through full or partial redress for any damage that may be inflicted on a public body. Judgments and decisions issued by judicial bodies are, first, preventive in nature, contributing to the protection of public funds and establishing transparency and integrity in the field of public management. Second, they are punitive in nature, manifested in redressing financial damage by raising the responsibility of public managers (payment of a fine from their financial assets, restitution of amounts of illegal expenditures and lost revenues, or amounts of deficits recorded in public funds and accounts).¹⁸.
38. Judicial oversights conducted by judicial bodies are characterised by the fact that they are conducted exclusively by judges and in accordance with procedures and measures established by law that govern lawsuits and prosecutions before the accounting courts.

¹⁷ This function is exercised based on internal referrals and directly when the agencies discover acts punishable by law in the course of the inspections they conduct, or based on external referrals when cases in this regard are brought to them by external parties legally qualified to do so.

¹⁸ INTOSAI P50.

II. The special requirements of documentation provisions dictated by the lawsuits and prosecutions before the accounting courts

Documenting trial procedures

39. Given their functions and judicial procedures, documentation by judicial oversight bodies is particularly sensitive. They must document all procedures rigorously, accurately, and comprehensively for the following reasons:
- The possibility of invalidating judicial decisions issued by the Supreme Audit Institution in the event of failure to comply with certain obligations;
 - The publication of some judicial decisions requires that they be protected in advance from anything that challenges the material and legal facts they raise;
 - probability the impact of judicial decisions issued by the Supreme Audit Institution on the career path of the persons being prosecuted, as the employing body may take this penalty into consideration in the subsequent stages of the person's career;
 - Public authorities and citizens rely on the reliability of the public financial system and the integrity of public employees and agents to ensure the quality of the judicial decisions of the Authority.
40. In light of the above, and in addition to the documentation requirements arising from the exercise of non-judicial tasks (performance oversight and financial auditing, etc.), the agencies find the Supreme Court, which has the same judicial functions, is therefore obliged to comply with several other documentation requirements that are closely linked to the principles, procedures and measures governing the exercise of judicial powers, such as documenting procedures that demonstrate respect for the principles of a fair trial and the notification and implementation of judicial decisions.

Reporting and Implementation Documentation Requirements

41. The sixth principle states: For INTOSAI P50, the Supreme Audit Institution must ensure a fair trial for persons subject to judicial duties in accordance with legal procedures. This principle requires the institution to demonstrate its compliance with all requirements that constitute a guarantee of a fair trial under applicable laws. In particular, the institution must have a policy for documenting procedures related to:
- Defining the rules of evidence, their scope and classification of their means;
 - Fast news the details of the nature of the complaints recorded against the followers;
 - Investigation procedures, particularly hearings, expertise, requests for information and obtaining information in writing;
 - End sufficient time to review and provide the necessary means to prepare the defence, especially ensuring that the followers are informed of all documents and information submitted by the concerned parties and presented to the court;
 - Public trial ;
 - Basis penalties are based on sufficient evidence and circumstantial evidence, particularly with regard to liability for acts of non-compliance (adherence to regulations);
 - Depletion the judicial procedure within a reasonable period, the ceiling of which shall be determined by the Authority;

Respecting the requirements related to the holding and conduct of sessions, the deliberation process and the ruling.

42. The eighth principle states: INTOSAI P50 states that the exercise of judicial functions consists of issuing judicial decisions that are notified and implemented, so that the personal liability of the persons subject to them is effectively invoked.
43. Actual the Supreme Audit Institution shall notify judicial decisions according to specific procedures and document this in an appropriate

and effective manner. In this regard, the files submitted to the bodies must include evidence that those subject to the Institution's procedures have received the observations, objections, and decisions. Follow-up. Archived files must also include evidence of notification and implementation of interim and final rulings.

III. Additional Requirements in documentation of financial and compliance control

44. INTOSAI standards specify some requirements. Additional information on documenting financial and compliance oversight in judicial supreme audit institutions.
45. In Finance supervision, the standard states 2230ISSA stipulates that this type of body must define the rules of evidence, their scope, and processes, as well as additional requirements for document retention when auditing and adjudicating public body accounts. The same standard also stipulates that the body must establish strict procedures and measures for classifying means of evidence.
46. As for supervision compliance, ISSAI 4000 Standard for Supreme Audit Institutions jurisdiction with the following requirements:
 - That its judges conduct investigations in writing when required by national law;
 - Requests for information and inquiries shall be made in writing if required by national law;
 - The auditor in the judicial body shall take the necessary measures to obtain sufficient and

appropriate evidence regarding liability for acts of non-compliance (adherence to regulatory regulations);

- The judge/auditor of the judicial body shall take the necessary measures to obtain sufficient and appropriate evidence regarding liability for illegal acts (such as fraud);
- The examining judge in the judicial body shall take the necessary measures to obtain sufficient and appropriate evidence regarding the applicable limitation period.

IV. Documenting the discovery of facts Especially when conducting supervision

47. The judges of supreme audit institutions / judicial nature/ must pay due attention to documenting facts and actions that go beyond the nature of the audits they conduct, given the legal consequences that result from them.
48. Then, if they discover fraudulent risks or acts that may constitute criminal or disciplinary violations, or elements that constitute de facto mismanagement, judges must study and evaluate them, begin documenting them immediately, and prepare complete files for submission to the deliberative bodies in draft reports.
49. Some best practices in this field are as follows:
 - Documenting the discovery of actions by preparing minutes or detailed notes or special reports as required (depending on the case) on the subject show specifically:
 - The facts and violations that may have been committed;
 - References to texts and materials that have been violated;
 - The people involved should be followed up and their characteristics and functions should be indicated;
 - Create special files within the necessary supporting documents relating to potential violations that will subsequently enable the examination of actions and the determination of those that may warrant

prosecution, as well as the identification of persons who may be prosecuted;

- Documentation decisions the deliberative bodies thereof.

V. Documenting the elevation of actions with special nature to the higher management and/or referring them to criminal judiciary or guardianship authorities.

50. In the event of discovering facts that may be subject to judicial or disciplinary follow-up, the authorities shall make referrals to the competent parties in accordance with the procedures and legal provisions stipulated.

51. In this regard, the authorities ensure proper documentation of:

- Urgent case referrals, when necessary, to the senior management of the agency (before presenting the facts to the bodies) to take the appropriate actions;
- Detailed minutes of decisions made by the deliberative bodies;
- Internal referrals to the public prosecution at the agency;
- Documentation of submissions (along with files) to the concerned parties in accordance with legal provisions.

The Appendices

Appendices of Financial Supervision
Appendices to the preliminary work

Data of the entity being audited

1- Name of the entity being audited:

.....

2- Address:

3- Branches:

4- Commercial Register:

5- Tax card:

6- Other:

7- Legal form:

8- Names of persons responsible for governance:

Person's name	Job	Phone number

9- Statement of shareholders of the audited entity:

the name	Is he an employee of the entity being audited?	Is it within the management of the entity being audited?	Is he a major shareholder?	Contribution rate	Other information

10- Any general information about the audited entity or any of those responsible for governance:

.....

11- Organizational structure and brief description of the activity of the entity being audited:

....

12- Was the entity subject to audit at the beginning of the activity (within the previous five years?) Yes / No

If yes, specify the start date of the activity.

13 Financial statements (previous three years) and their audit reports.
Is financial information available for the previous three years? Yes/No

If the answer is no, specify why:

14- Any other information:

Form (2) Preliminary work for the

Audit mission statement

Audited entity: Fiscal year:

Prepared by: Date:

Reviewed by: Date:

1- The financial period covered by the financial statements:

.....

2- Nature and scope of the audit process:

.....

3- The accounting framework applied by the entity subject to audit:

4- Financial statements audit end date: / /

5- Is the entity subject to control affiliated with a holding company:

6- Specify the name of the holding company, if any:

.....

7- Does the holding company issue consolidated financial statements:

8- Identify the affiliates included in the consolidated lists, if any:

.....

9- Are there accounting treatments specific to the industry to which the audited entity belongs: Yes / No

10- Briefly explain the special treatments:

.....

11- Does the audit task require specialized knowledge or the assistance of an expert: Yes / No

If the answer is yes, specify the appropriate action:

.....

12- Statement of the names of the audit team:

- **Department Manager:**
- **Auditor's direct supervisor:**
- **Auditor:**
- **Audit team:**

Person's name	Job grade	phone number

Form (3) Preliminary work for the

Pledge of commitment to independence and no conflict of interest

According to the INTOSAI Code of Ethics and Conduct for the Accounting and Auditing Profession

First: Commitment to the requirements of the Code of Ethics and Professional Conduct approved in accordance with the decision xxxxxxxxxxxx number (xxx) for a year xxxx:

I have reviewed the approved Code of Professional Ethics and Conduct in accordance with xxxxxxxxxxxx

I acknowledge that I am committed to the terms of the Charter regarding participation in the audit mission:

Second: Pledges related to threats to independence:

- I pledge that neither I nor any of my family members, even close ones, have any personal interest in the aforementioned audited entity or any of its management members.
- I pledge that I have not become aware of any circumstances that would lead to a conflict of interest with the audited entity: xxxxxxxx.
- I hereby declare that I have not become aware of any circumstances that would pose a threat to my independence

when I was assigned to participate in the audit of the entity being audited.

- I pledge that if there are circumstances or relationships that may threaten my independence after signing the above declaration, I will inform the higher supervisory level.
- I acknowledge that I am aware that if I violate the independence requirements and procedures contained in the Charter and Ethics of Professional Conduct approved in accordance with the decision xxxxxx For a year xxxxx .I am subject to the disciplinary penalties stipulated in the device's regulations.

the name :

Job:

the signature :

the date : / /

Type of opinion in the auditor's report for the past year

Audited entity: Fiscal year:

Prepared by: Date: / /

Reviewed by: Date: / /

[1] Specify the type of opinion in the auditor's report for the past year:

- Clean report.
- Qualified opinion: A list of reservations to the opinion is attached.
- Opposite view.
- Abstention from expressing an opinion: the reason for abstaining from expressing an opinion.

* In the event of a report other than unqualified, the inherent risks increase and thus the expected risks of non-detection increase and thus the size of the audit sample increases.

[2] Does the fiscal year report include any indication of the existence of indicators that threaten the continuity of the entity being audited? If so, a statement explaining these indicators, what the management of the entity being audited has done in this regard, and the auditor's opinion on these procedures should be attached.

* If there are indicators that threaten the continuity of the entity being audited, the inherent risks increase. Therefore, the auditor must take measures to consider whether these threats continue or not, and the measures taken by the entity being audited to confront them increase the inherent risks, and thus the estimated risks of non-detection increase, thus increasing the size of the audit samples.

[3] In the case of an unqualified opinion report with attention-grabbing paragraphs:

Identify those paragraphs:

....

Sample Letter of Understanding for Performing an Audit Task

This letter is a sample engagement letter for general purpose financial statements, in addition to the considerations contained in the INTOSAI standard, and may need to be modified according to the circumstances and requirements.

The recipient: (To the management representative or those responsible for governance in the entity subject to audit)
the date:

Greetings,

With reference to the Authority/Diwan carrying out its oversight duties, the financial statements forXXXXX (Name of the audited entity) and (Names of the affiliated entities) are subject, starting from (date) and for the year ending on () to audit by the Authority/Diwan in accordance with the Authority/Diwan Law No. xxx of the year xxxxThis speech aims to provide a brief overview of:

- 1- Conditions of the audit mission, the nature of annual auditing and its limits..
- 2- Responsibilities of the agency/diwan in annual auditing.

The following is a presentation of the terms of the audit mission. This letter remains valid until a new audit mission letter is issued..

Objective(s) of the audit process:

The objective(s) of annual audit are: The following

- 1- Expressing an independent opinion on the financial statements of XXXX (Name of the entity being audited) which was prepared in accordance with (the applicable financial reporting framework) (.
- 2- Additional objectives related to, for example, (compliance with laws or internal control systems).

Auditor responsibilities:

We will conduct the audit process in accordance with the law of the agency/diwan and the INTOSAI audit standards..

Applied regulatory standards:

We will perform an audit in accordance with auditing standards, which require compliance with professional ethics requirements, planning and performing the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. The audit includes conducting a test examination of documents and evidence supporting the amounts and disclosures contained in the financial statements. The procedures applied depend on the auditor's professional judgment, including assessing the risk of material misstatement in the financial statements, whether due to fraud or error. The audit also includes evaluating the accounting policies applied and significant estimates made by management, as well as the integrity of the presentation of the financial statements. Given the nature of the tests and limitations inherent in the audit process, and those limitations inherent in any accounting system or internal control system, there must remain unavoidable risks and significant and significant misstatements that remain undetected. In our risk assessment, we examine the internal control systems surrounding the preparation of the audited entity's financial statements in order to design audit procedures appropriate to the circumstances, but not in

order to express an opinion on the effectiveness of the audited entity's internal control system. However, we are expected to send a separate letter regarding any significant weaknesses in the design or implementation of the internal control system for preparing financial reports that have become known to us during our audit of the financial statements..

Although our audits are not required to report on the following items, we will report them if we become aware of them during our audit::

A- Inefficient performance of operations.

B- Cases of violation of laws or powers granted to the entity subject to oversight..

C - Cases of misuse or uneconomical use of resources.

The report:

It may be necessary to amend the report in light of the findings of the audit process..

Independence:

Our ethical requirements require us to remain independent of the auditee, and we hereby affirm our independence in relation to this audit process. This means that we do not, in fact and on the surface, have any interest that could be considered inconsistent with integrity, objectivity, and independence, regardless of its actual impact..

Responsibilities of management and those responsible for governance:

We will conduct our audits based on the understanding that management and, where appropriate, those charged with governance acknowledge and understand that they are responsible for::

A- Preparing and presenting financial statements in a fair manner in accordance with the current financial reporting framework.

b- Internal control as determined by management to be necessary to enable the preparation of financial statements free from material misstatements, whether due to fraud or error..

C - Enabling us to:

- Access to all information that management perceives to be relevant to the preparation of the financial statements, such as records, documents, etc., and additional information that we may request from management in order to conduct the audit process..
- Unrestricted access to persons within the regulated entity from whom we determine it is necessary to obtain audit evidence.

Representation letter (management declarations) :(

We will ask management to provide us with written confirmation of the assurances given to us regarding the control process as part of our control process..

Other relevant information:

- Legal deadlines for completing reports.
- Contact information.
- Any other matters to help promote effective communication.

Acknowledgement of the terms of the assignment:

Please acknowledge receipt of this letter and understanding of the terms of the audit assignment by signing a copy of this accompanying letter in the designated space and returning it to the relevant department.

Best regards ,,,
the signature

Auditor's name

The terms of the audit assignment are agreed upon and acknowledged by (signatory) on behalf of (name of audited entity)..

the signature:
Job:

An illustrative model of a representation letter

The following explanatory letter contains written representations required by this Standard and other applicable auditing standards for audits of financial statements. It is assumed in this explanatory letter that the applicable financial reporting framework is International Financial Reporting Standards, and that the requirement in the Auditing Standard (2570) To obtain a written statement is not appropriate, and there are no exceptions to the required written statements. If there are exceptions, the statements will need to be amended to reflect these exceptions.

(Establishment copies)**(To the auditors of the financial statements)****(the date)**

We submit this letter as it relates to your review of the financial statements of the XYZ Company for the fiscal year ending December 31, 2000, for the purpose of expressing Opinion Whether the entity's financial statements fairly and clearly present, in all material respects, the financial position on December 31, 2000, the results of its activities and its cash flows for the financial year ending on that date and the extent of their agreement with (reference to the applicable financial reporting framework).

We confirm our responsibility for the fair presentation of the financial statements in accordance with (reference to the applicable financial reporting framework).

In this regard, and according to the best information available to us, we declare the following:

Statements relevant to the entity being audited are added here. These statements may include the following:

- * There are no violations by any of the members of the Board of Directors or employees who have an influential role in the accounting and internal auditing that would have a significant impact on the financial statements.
- * We have placed at your disposal all accounting books, financial documents, supporting data, and all minutes of the General Assembly and Board of Directors meetings (especially those held on)

- * We confirm the completeness of the data provided regarding the identification of related parties.
- * The financial statements are free from any material and significant misstatements, including omissions.
- * The audited entity has complied with all its contracts with third parties that could have a significant and significant impact on the financial statements.
- * There is no breach of regulatory and supervisory requirements that could have a significant impact on the financial statements if they occur.
- * The following items have been recorded and adequately and appropriately disclosed in the financial statements:
 - (i) The identity of the related parties, balances and transactions with them.
 - (b) Losses resulting from purchase or sale commitments.
 - (c) Agreements and options to repurchase previously sold assets.
 - (d) The assets of the establishment are mortgaged as security for others.
- * We do not have any plans or intentions that would significantly affect the book values of assets or liabilities or their classification in the financial statements.
- * There are no plans to discontinue any production lines or other plans or intentions that would result in stagnant or excess inventory, and no inventory has been valued at a value higher than its expected net realizable value.
- * The entity subject to audit owns all of its assets free of any mortgage or obligation other than what was disclosed in the financial statements in Note No.
- * We have recorded or disclosed in an appropriate manner all liabilities - actual and potential - and all guarantees provided to others have been disclosed in Note No. to the financial statements.
- * There are no events subsequent to the balance sheet date that require adjustment or disclosure in the financial statements or any related notes, other than what was disclosed in Note No.
- * The audited entity's claim was settled for a total amount of, which had been appropriately accounted for in the financial statements. There are no outstanding or non-final claims that may

result in potential obligations that must be taken into account or disclosed.

- * There are no formal or informal compensation arrangements for any of our cash or investment accounts, and except as disclosed in Note to the financial statements, we do not have any other credit arrangements.
- * We have recorded or disclosed appropriately in the financial statements our share repurchase agreements and options, as well as our share capital held for options, warrants, transfers and other requirements.

Financial Director
executive officer

chief

Planning phase appendices

in financial supervision

Model (1) Planning Stage

Horizontal analysis of the balance sheet

Audited entity: Fiscal year: /

Prepared by: Date: / /

Reviewed by: Date: / /

Item	Foundation year 2014	2015		2016		2017	
	value	value	ratio	value	ratio	value	ratio
<u>Origins</u>							
fixed assets							
Projects under implementation							
intangible assets							
Investments in subsidiaries							
Financial investments available for sale							
deferred tax assets							
Stock							
Clients, receivables and debtors							
Accounts receivable with holding and affiliated companies							
advance payments							
investments at fair value through profit or loss							
Cash and bank balances							

Total assets							
--------------	--	--	--	--	--	--	--

- The ratio is calculated by dividing the value of the item in the year by its value in the base year.

Continue the horizontal analysis of the balance sheet.

Item	Foundation year 2014	2015		2016		2017	
	value	value	ratio	value	ratio	value	ratio
<u>intellectual property rights</u>							
Paid-up capital							
Reserves							
profit and loss carried forward							
Profit (or loss) for the year before distribution							
<u>Obligations</u>							
Bonds							
loans from banks							
Loans from holding and affiliated companies							
Other long-term liabilities							
Allocations							
Bank overdraft							
Suppliers, Payables and Other Creditors							

Accounts payable from holding and affiliated companies							
Other short-term liabilities							
Total equity and liabilities							

Model (2) Planning Stage

Horizontal analysis of the income statement

Audited entity: Fiscal year: / /

Prepared by: Date: / /

Reviewed by: Date: / /

Item	Foundation year 2014	2015		2016		2017	
	value	value	ratio	value	ratio	value	ratio
Sales/Revenue							
Cost of sales/cost of generating revenue							
Selling and distribution expenses							
Gross profit							
Investment income							
Other gains and losses							

Other revenues							
allocations for which the purpose is no longer available							
Administrative and general expenses							
Financing expenses							
Component allocations							
impairment losses							
Other expenses							
earnings before tax							
Income tax expense							
Net profit							

Model (3) Planning Stage

Vertical analysis of the balance sheet

Audited entity: Fiscal year: /

Prepared by: Date: //

Reviewed by: Date: //

Item	2016		2017	
	value	ratio to total assets	value	ratio to total assets
<u>Origins</u>				

fixed assets				
Projects under implementation				
intangible assets				
Investments in subsidiaries				
Financial investments available for sale				
deferred tax assets				
Stock				
Clients, receivables and debtors				
Accounts receivable with holding and affiliated companies				
advance payments				
investments at fair value through profit or loss				
Cash and bank balances				
Total assets				

Continue the vertical analysis of the balance sheet

Item	2016		2017	
	value	Ratio to total equity and liabilities	value	Ratio to total equity and liabilities
<u>intellectual property rights</u>				
Paid-up capital				

Reserves				
profit and loss carried forward				
Profit (or loss) for the year before distribution				
<u>Obligations</u>				
Bonds				
loans from banks				
Loans from holding and affiliated companies				
Other long-term liabilities				
Allocations				
Bank overdraft				
Suppliers, Payables and Other Creditors				
Accounts payable from holding and affiliated companies				
Other short-term liabilities				
Total equity and liabilities				

Model (4) Planning Stage

Vertical analysis of income statement items

Audited entity: Fiscal year: //

Prepared by: Date: //

Reviewed by: Date: //

Item	2016		2017	
	value	ratio For total sales	value	ratio For total sales
Sales/Revenue	XXX		XXX	
Cost of sales/cost of generating revenue	(xx)		(xx)	
Selling and distribution expenses	(xx)		(xx)	
Gross profit	Xx		Xx	
Investment income	X		X	
Other gains and losses	X		X	
Other revenues	X		X	
allocations for which the purpose is no longer available	X		X	
Administrative and general expenses	(X)		(X)	
Financing expenses	(X)		(X)	
Component allocations	(X)		(X)	
impairment losses	(X)		(X)	
Other expenses	(X)		(X)	
earnings before tax	Xx		Xx	
Income tax expense	(X)		(X)	
Net profit				

Inherent Risk Analysis

Model No. 5 Planning
Stage

Audited entity: **Fiscal year:** /

Prepared by: **Date:** / /

Reviewed by: **Date:** / /

Element: Industrial Conditions

Relative

weight of the element: 10%

Field of understanding	Risk score at the financial statement level			Item-level risk score	
	low	middle	high	middle	high
	20%	50%	80%	50%	80%
1- The nature of the market in which the entity being audited operates in terms of the degree of growth and stability.					
2- The type and strength of competition in the market.					
3- Stability of demand for the product and its strategy for the consumer.					
4- The relationship between supply and demand for a commodity in the local market or the international market.					
5- Availability of a competitive advantage for the local industry market.					
6- The extent to which the state provides protection measures for local industry.					
7- The degree of stability of industrial product prices.					
8- The degree of elasticity of demand and supply for industrial products.					

Inherent Risk Analysis

Model No. 5 Planning
Stage

Audited entity: **Fiscal year:** /

Prepared by: **Date:** / /

Reviewed by: **Date:** / /

Element: Industrial Conditions

Relative

weight of the element: 10%

Field of understanding	Risk score at the financial statement level			Item-level risk score	
	low	middle	high	middle	high
	20%	50%	80%	50%	80%
9- The ability of the audited entity to comply with industry conditions.					
10- Seasonality of activities according to industry conditions.					
11- The degree of complexity and technological diversity of the industry.					
12- The degree of industry dependence on energy and the availability of its sources.					
13- Availability of specialized labor and other production elements.					
14- The impact of labor organizations on industry.					
15- The extent of the existence of quality control procedures in commodity markets.					
16- The impact of consumer protection associations.					
<u>Table Summary</u> Risk assessment at the financial statement level: % Risk assessment at item level: Item: % Item.....: %etc.					

Inherent Risk Analysis

Form No. 6 Planning Stage

Audited entity: Fiscal year: /**Prepared by: Date: / /****Reviewed by: Date: / /****Element: General economic and legislative conditions. Relative weight of the element: 10%**

Field of understanding	Risk score at the financial statement level			Item-level risk score	
	low	middle	high	middle	high
	20%	50%	80%	50%	80%
1- The extent to which legislation and regulations directly impact the organisational and production processes of the entity and the degree of their stability.					
2- The extent of the impact of government policies on the activities of the entity being audited: - Monetary policies, including foreign exchange controls. - Financial policies. - Financial incentives (e.g., government assistance programs). - Customs tariffs and trade restrictions.					
3- The impact of legislation and regulations related to direct supervisory activities related to production.					
4- The impact of the regulatory framework of the industry.					
5- The impact of other external factors that affect the activity of the entity being audited, including: - The general level of economic activity (e.g., recession, growth). - Interest rates and availability of financing. - Inflation and currency revaluation.					
6- The effects of taxes to which the audited entity is subject.					

Inherent Risk Analysis

Form No. 6 Planning Stage

Audited entity: Fiscal year: /**Prepared by: Date: / /****Reviewed by: Date: / /****Element: General economic and legislative conditions. Relative weight of the element: 10%**

Field of understanding	Risk score at the financial statement level			Item-level risk score	
	low	middle	high	middle	high
	20%	50%	80%	50%	80%
7- The impact of environmental requirements that affect the industry and the activity of the entity being audited.					
8- The degree of legislative and economic stability in the countries where there are projects, branches, subsidiaries and investments.					
<u>Table Summary</u>					
Risk assessment at the financial statement level: %					
Risk assessment at item level: Item: % Item.....: %etc.					

Inherent Risk Analysis

Form No. 8 Planning Stage

Audited entity: Fiscal year: /

Prepared by: Date: //

Reviewed by: Date: //

Element: **Operating conditions.**

Relative weight of the

element: 10%

Field of understanding	Risk score at the financial statement level			Item-level risk score	
	low	middle	high	middle	high
	20%	50%	80%	50%	80%
1- The degree of diversity in Sectors of activity.					
2- The ability of the audited entity to carry out all stages. And production methods.					
3- The impact of the audited entity's delivery methods. Products and services.					
4- The existence of plans for expansion in operational activity.					
5- The extent of stability in operational activity.					
6- Existence Operations that have been reduced or have plans to do so.					
7- Is there? Joint ventures have the same operating activity?					
8- The existence of joint projects with suppliers and their impact.					
9- Availability of trained workers to carry out production work.					

Inherent Risk Analysis

Form No. 8 Planning Stage

Audited entity: Fiscal year: /

Prepared by: Date: //

Reviewed by: Date: //

Element: **Operating conditions.**
element: 10%

Relative weight of the

Field of understanding	Risk score at the financial statement level			Item-level risk score	
	low	middle	high	middle	high
	20%	50%	80%	50%	80%
10- The stability of raw material markets.					
11- The extent to which the audited entity is exposed to a shutdown due to the unavailability of raw materials or labor.					
12- The extent of accreditation of the audited entity On the services of experts.					
13- Availability of experts in the local market.					
14- The suitability of the appointment policies of the entity under audit.					
15- The effects of wage levels on the economics of the entity under audit.					
16- The impact of union pressures.					
17- The impact of pension systems and post-retirement benefits.					
18- Effects of applied incentive systems.					
19- The effectiveness of research and development activities.					

Inherent Risk Analysis

Form No. 8 Planning Stage

Audited entity: Fiscal year: /

Prepared by: Date: //

Reviewed by: Date: //

Element: **Operating conditions.**
element: 10%

Relative weight of the

Field of understanding	Risk score at the financial statement level			Item-level risk score	
	low	middle	high	middle	high
	20%	50%	80%	50%	80%
20- Impact of research and development activities.					

Table Summary**Risk assessment at the financial statement level: %****Risk assessment at item level: Item: % Item.....: %etc.****Inherent Risk Analysis**

Model No. 9 Planning Stage

Audited entity: Fiscal year: /

Prepared by: Date: //

Reviewed by: Date: //

Element: **Marketing conditions.**

Relative weight

of the element: 10%

Field of understanding	Risk score at the financial statement level			Item-level risk score	
	low	middle	high	middle	high
	20%	50%	80%	50%	80%
1-What is the reputation and impact of the audited entity's products?					

Inherent Risk Analysis

Model No. 9 Planning
Stage

Audited entity: **Fiscal year:** /

Prepared by: **Date:** / /

Reviewed by: **Date:** / /

Element: Marketing conditions.

Relative weight

of the element: 10%

Field of understanding	Risk score at the financial statement level			Item-level risk score	
	low	middle	high	middle	high
	20%	50%	80%	50%	80%
2- What is the nature of marketing trends, marketing strategy, objectives and their effects?					
3- What is the market share and influence of the entity being audited?					
4- The nature of the relationship with competitors And its impact on the entity being audited?					
5- The degree of availability of foreign markets for products and the volume of exports. From it?					
6- What is the degree of stability of external demand for products?					
7- What is the impact of pricing policies on operations and competition?					
8- Does the audited entity use e-commerce?					
9-How diverse and stable are online sales?					
10-Implications of marketing activities through e-commerce?					
<u>Table Summary</u> Risk assessment at the financial statement level: % Risk assessment at item level: Item: % Item.....: %etc.					

Inherent Risk Analysis

Form No. 10 Planning
Stage

Audited entity: **Fiscal year:** /

Prepared by: **Date:** / /

Reviewed by: **Date:** / /

Element: Investment and financing conditions.

Relative

weight of the element: 15%

Field of understanding	Risk score at the financial statement level			Item-level risk score	
	low	middle	high	middle	high
	20%	50%	80%	50%	80%
1- Does the entity have acquisition activities and their impact on its business and economy?					
2- Are there trends towards undertaking merger activities and their impact on the activity and economics of the audited entity?					
3- The impact of the activities that the audited entity has gotten rid of?					
4- What is the degree of diversity of investments and their expected impact on the activity and economics of the entity being audited?					
5- What are the effects of expected securities transactions?					
6- What is the impact of the planned capital investment activities and their feasibility studies?					
7- Are there investments in facilities that are not included in the assembly process, and what are the reasons for that and its impact?					
8- The effect of the structureDebts?					
9- Is there a limit?Debt-related agreements, restrictions on them, guarantees for them, their financing					

Inherent Risk Analysis

Form No. 10 Planning
Stage

Audited entity: **Fiscal year:** /

Prepared by: **Date:** / /

Reviewed by: **Date:** / /

Element: Investment and financing conditions.

Relative

weight of the element: 15%

Field of understanding	Risk score at the financial statement level			Item-level risk score	
	low	middle	high	middle	high
	20%	50%	80%	50%	80%
arrangements, and their impact on the audited entity.					
10- Is there?Rented properties and their impact?					
11- Is there?Rented factories and the expected effects?					
12- Is there?Equipment rented and used in the activity?					
13- Ownership structure Their nationalities and the impact of that?					
14- Is there?Stakeholders, nature of these relationships and their impact?					
<u>Table Summary</u>					
Risk assessment at the financial statement level: %					
Risk assessment at item level: Item: % Item.....: %etc.					

Inherent Risk Analysis

Form No. 11 Planning Stage

Audited entity: Fiscal year: /**Prepared by: Date: / /****Reviewed by: Date: / /****Element: Management's assessment and financial statement preparation framework. Relative weight of the element: 15%**

Field of understanding	Risk score at the financial statement level			Item-level risk score	
	low	middle	high	middle	high
	20%	50%	80%	50%	80%
1- Evaluate the efficiency and integrity of the audited entity's management?					
2- The extent of suitabilityThe framework used to prepare the financial statements?					
3- AppropriatenessWhat revenue recognition basis is applied?					
4- Relative weightFor items that are accounted for at fair value?					
5- The extent of diversity suitabilityIn stock and turnover rates?					
6- OccasionLocations of the audited entity's warehouses and storage conditions?					
7- SizeDebts, liabilities and foreign currency transactions and their expected impact on business results.					
8- ElementsImportant in industry (for example): loans and investments in banks, customer accounts and inventory in industrial companies, and research and development in pharmaceutical companies.					
9- Adequacy of accounting treatments for unusual or complex transactions, including those in conflicting or novel fields.					
10- The extent to which the presentation and disclosure in the financial					

Inherent Risk Analysis

Form No. 11 Planning Stage

Audited entity: Fiscal year: /

Prepared by: Date: / /

Reviewed by: Date: / /

Element: Management's assessment and financial statement preparation framework. Relative weight of the element: 15%

Field of understanding	Risk score at the financial statement level			Item-level risk score	
	low	middle	high	middle	high
	20%	50%	80%	50%	80%
statements are consistent with the applicable accounting framework.					
11- The relative importance of balances exposed to embezzlement and fraud.					
12- The relative importance of items that depend on estimation.					
13- Risks of problems identified by previous audits.					
<u>Table Summary</u> Risk assessment at the financial statement level: % Risk assessment at item level: Item: % Item.....: %etc.					

Inherent Risk Analysis

Form No. 12 Planning Stage

Audited entity: Fiscal year: /

Prepared by: Date: / /

Reviewed by: Date: / /

Element: Objectives, strategies and related business risks Relative weight of the element: 10%

Field of understanding	Risk score at the financial statement level			Item-level risk score	
	low	middle	high	middle	high
	20%	50%	80%	50%	80%
1- Objectives of the entity being audited.					

Inherent Risk Analysis

Form No. 12 Planning Stage

Audited entity: Fiscal year: /**Prepared by: Date: / /****Reviewed by: Date: / /****Element: Objectives, strategies and related business risks Relative weight of the element: 10%**

Field of understanding	Risk score at the financial statement level			Item-level risk score	
	low	middle	high	middle	high
	20%	50%	80%	50%	80%
2- Industry development risks (potential business risks such as the audited entity's lack of personnel or expertise to deal with changes in the industry).					
3- New product and service risks (potential business risks could be, for example, increased product-related liabilities)					
4- Business expansion risks (potential business risks that may arise from inaccurately estimating demand).					
5- Risks of new accounting requirements (potential business risks such as incomplete or improper implementation, or increased costs).					
6- Regulatory requirements risks (potential business risks such as increased exposure to legal risks).					
7- Current and anticipated financial requirements (potential business risks may include loss of funding as a result of the audited entity's inability to meet its obligations).					

Inherent Risk Analysis

Form No. 12 Planning Stage

Audited entity: Fiscal year: /

Prepared by: Date: / /

Reviewed by: Date: / /

Element: Objectives, strategies and related business risks Relative weight of the element: 10%

Field of understanding	Risk score at the financial statement level			Item-level risk score	
	low	middle	high	middle	high
	20%	50%	80%	50%	80%
8- IT usage risks (potential business risks such as system incompatibility with operations).					
9- Risks of strategy implementation, particularly risks that may lead to new accounting requirements (potential business risks may be incomplete or improper implementation).					
<u>Table Summary</u> Risk assessment at the financial statement level: % Risk assessment at item level: Item: % Item.....: %etc.					

Inherent Risk Analysis

Form No. 13 Planning Stage

Audited entity: Fiscal year: /

Prepared by: Date: / /

Reviewed by: Date: / /

Element: Measuring and examining the entity's financial performance Relative weight of the element: 10%

Field of understanding	Risk score at the financial statement level			Item-level risk score	
	low	middle	high	middle	high
	20%	50%	80%	50%	80%
1- Important ratios and operating statistics.					

Inherent Risk Analysis

Audited entity: Fiscal year: /

Prepared by: Date: / /

Reviewed by: Date: / /

Element: Measuring and examining the entity's financial
performance Relative weight of the element: 10%

Field of understanding	Risk score at the financial statement level			Item-level risk score	
	low	middle	high	middle	high
	20%	50%	80%	50%	80%
2- Key performance indicators.					
3- Employee performance measures.					
4- Incentive wage policies.					
5- Forecasting reports, budget estimates, and variance analysis.					
6- Analyst reports and rating reportsCredit.					
7- Competitor analysis.					
8- Development of financial performance from one period to another (revenue growth, profitability, and financial leverage).					

Table Summary

Risk assessment at the financial statement level: %

Risk assessment at item level: Item: % Item.....: %etc.

Planning Stage

Understanding the audited entity and its environment and measuring the inherent risks at the financial statement level

Audited entity: Fiscal year: / /

Prepared by: Date: / /

Reviewed by: Date: / /

Field of understanding	Relative weight	Inherent risk level			Final evaluation
		20%	50%	80%	
Industry conditions	10%				
General economic and legislative conditions	10%				
Nature of the entity being audited	10%				
Operating conditions	10%				
Marketing conditions	10%				
Investment and financing conditions	15%				
Management Evaluation and Financial Statement Preparation Framework	15%				
Objectives, strategies and related business risks	10%				
Measuring and examining the financial performance of the entity	10%				
Total					

Considerations for using inherent risk analysis models:

- The scores are totaled and divided by the number of items and the result is rounded to the nearest risk score.
- For items that are not included in the item-level risk column (medium or high), their risk assessment for that item is considered (low).

Form No. 15

Planning Stage

Understand the audited entity and its environment and measure the inherent risks at the item/..... level.

Audited entity: Fiscal year: / /

Prepared by: Date: / /

Reviewed by: Date: / /

Field of understanding	Relative weight	Inherent risk level			Final evaluation
		20%	50%	80%	
Industry conditions	10%				
General economic and legislative conditions	10%				
Nature of the entity being audited	10%				
Operating conditions	15%				
Marketing conditions	15%				
Investment and financing conditions	20%				

Management Evaluation and Financial Statement Preparation Framework	20%				
Total					

Considerations for using inherent risk analysis models:

- The scores are totaled and divided by the number of items and the result is rounded to the nearest risk score.
- For items that are not included in the item-level risk column (medium or high), their risk assessment for that item is considered (low).

Form No. 16

Planning Stage

Summary of the results of the assessment of inherent risks at the level of financial statement items

Audited entity: Fiscal year: / /

Prepared by: Date: / /

Reviewed by: Date: / /

Final assessment of inherent risks	Item

- The items included in this table are consistent with the items in the financial statements of the audited entity.

Internal Control Risk Analysis

Form No. 17
Planning Stage

Audited entity: Fiscal year: /

Prepared by: Date: / /

Reviewed by: Date: / /

Element: Control Environment Relative weight of the element: 10%

element	Risk score at the financial statement level			Item-level risk score	
	Yes	to some extent	no	to some extent	no
	20%	50%	80 %	50%	80 %
Application of integrity and ethical values: 1- Does the management work to instill and apply integrity and ethical values through actions and words?					

2- Are there rules of ethical conduct in the audited entity? 3- Are incentives and temptations for unethical behavior being avoided?					
Commitment to efficiency: 5- Does the management take into account the levels of efficiency for jobs that require specific levels?					
Contribution of those responsible for governance: 6- Are there periodic meetings for those responsible for governance? 7- Are the members of the governance committees experienced and qualified? 8- Is the formation of the audit committee independent? 9- How sufficient is the participation of those responsible for governance and their scrutiny of activities?					
Management philosophy and operating style: 10- Are business risks identified by management and managed appropriately? 11- Is management's choice of accounting policies and accounting estimates consistent with the proper presentation of the financial statements? 12- Does management intend to make material amendments to the financial statements that are inconsistent with fair presentation? 13- How responsive is management to financial reports?					

Organizational structure: 14- Does the organization's organizational structure constitute the framework through which its activities are planned, implemented, monitored and examined? 15- Does the organizational structure of the entity being audited show how authority, responsibility, and relationships are distributed between departments?					
Human Resources Policies and Practices: 16- Are there job descriptions for the entity being audited and time and movement studies for those jobs? 17- How adequate is the mechanism for identifying competencies for each job? 18- Do the appointment policies and procedures work to appoint the competent people for the positions needed by the entity being audited? 19- How adequate are the procedures for familiarizing new employees with the tasks required of them? 20- Does the entity being audited rely on specialization or job rotation, and how successful is this policy? 21- How adequate are training and skills development policies? 22- How adequate are the reward and punishment policies in the audited entity?					

23- How appropriate is the career promotion policy followed by the entity under audit?					
24- How adequate are the social services and medical care systems for workers?					

Table Summary

Risk assessment at the financial statement level: %

Risk assessment at item level: Item: % Item.....: %etc.

Internal Control Risk Analysis

Form No. 18 Planning Stage

Audited entity: Fiscal year: /

Prepared by: Date: / /

Reviewed by: Date: / /

Element:Risk assessment procedures

Relative weight of the element: 10%

element	Risk score at the financial statement level			Item-level risk score	
	Yes	to some extent	no	to some extent	no
	20%	50%	80%	50%	80%
Risk management mechanism: 1- Does the audited entity have a department specialized in identifying, evaluating and addressing risks, and what is its level of efficiency? 2- If the answer is no, does each department and division of the audited entity address its risks independently?					
risk assessment: 3- Have the objectives been determined at the level of the entity being audited as					

Internal Control Risk AnalysisForm No. 18 Planning
Stage

Audited entity: Fiscal year: /

Prepared by: Date: / /

Reviewed by: Date: / /

Element: Risk assessment

procedures

Relative weight of the element: 10%

element	Risk score at the financial statement level			Item-level risk score	
	Yes	to some extent	no	to some extent	no
	20%	50%	80%	50%	80%
a whole and at the level of each department, division and activity in relation to the process? Financial reporting? 4- Have events that affect activities related to the financial reporting process been identified?					
Risk assessment: 5- Has the likelihood of risks occurring been assessed? 6- Has the impact been determined for each possibility?					
Risk management measures: 7- What policies does the audited entity apply to address risks (reducing/sharing/accepting)? 8 - How efficient was the risk management process faced by the audited entity in the past, and how consistent was it with the studies prepared by the risk management department?					
<u>Table Summary</u> Risk assessment at the financial statement level: % Risk assessment at item level: Item: % Item.....: %etc.					

Internal Control Risk Analysis

Form No. 19 Planning Stage

Audited entity: Fiscal year: /

Prepared by: Date: / /

Reviewed by: Date: / /

Element: Information Systems

Relative

weight of the element: 40%

element	Risk score at the financial statement level			Item-level risk score	
	Yes	to some extent	no	to some extent	no
	20%	50%	80%	50%	80%
1- How adequate and effective are the existing information and reporting systems?					
2- Have the categories of transactions in the audited entity's operations that are significant to the financial statements been identified?					
3- Have the procedures that take place within both IT systems and manual systems been defined?					
4- Is there an accounting manual? And how appropriate is it?					
5- Does the audited entity implement a costing system that serves its purpose? And to what extent does it contribute to decision-making?					
6- Is there a reconciliation between cost data and financial data?					

Internal Control Risk Analysis

Form No. 19 Planning Stage

Audited entity: Fiscal year: /**Prepared by: Date: / /****Reviewed by: Date: / /****Element: Information Systems****Relative****weight of the element: 40%**

element	Risk score at the financial statement level			Item-level risk score	
	Yes	to some extent	no	to some extent	no
	20%	50%	80%	50%	80%
7- Do communication processes include communicating and understanding the roles and individual responsibilities related to the internal control system over the financial reporting process?					

Table Summary**Risk assessment at the financial statement level: %****Risk assessment at item level: Item: % Item.....: %etc.**

Internal Control Risk Analysis

Form No. 20 Planning Stage

Audited entity: Fiscal year: /

Prepared by: Date: / /

Reviewed by: Date: / /

Element: Supervisory activities
weight of the element: 10%

Relative

element	Risk score at the financial statement level			Item-level risk score	
	Yes	to some extent	no	to some extent	no
	20%	50%	80%	50%	80%
Section of specializations: 1- Is there a clear definition of tasks and responsibilities? 2-Is there a separation of duties between conflicting functions (requesting/management, accreditation, approval and decision-making/implementation/keeping of trusts and assets/documentation, document preservation and bookkeeping/control)?					
Accreditation Authority: 3- Are there the necessary powers to deposit, transfer and withdraw from bank balances in accordance with what has been approved by the administration? 4- Is there an allocation for all capital expenditures (purchase of non-current assets)? 5- Are requests to purchase non-current assets approved by an appropriate management level? 6- Is there approval for decisions regarding appointments, promotions, bonuses and incentives? 5- Are there approved policies regulating deferred sales and discount policies?					

6- Is there a clear definition for approving purchase requests and a system for issuing supply orders?					
Operating Systems and Processes: 7- Is there a suitable system for depositing cash proceeds into the bank account on a timely basis? 8- Is there an accurate and sufficient system for dealing with checks? 9- Are there security measures to protect cash? 10 - Is there a system to track the entry and exit of items through the gate, and a receiving and inspection system for purchases? 11- Is there a system for invoicing and delivering to customers for sales and shipping? 12- Is there an insurance system for treasuries and trustees? 13- How adequate are internal control procedures for reviewing and verifying purchase and sales invoices at the time of implementation?					
Performance check: 14- Is there a document circulation system to prevent duplication? 15- Is there a set of documents that governs all operations? 16- Are there periodic procedures for surprise inventory? 17- Are accrued expenses and advance revenues properly recorded according to invoices, agreements and contracts? 18- Is there a role for the internal audit department of the entity being audited in conducting reconciliations and comparisons and reviewing their reports? 19- Is there a proof of inventory held by third parties and also held for third parties in the warehouses of the entity being audited? 20- Are there systems for performance evaluation, deviation analysis, and accountability?					
Table Summary Risk assessment at the financial statement level: %					

Risk assessment at item level: Item: % Item.....: %etc.

- Internal control risks related to audit activities at the level of the audited entity are generally analyzed according to this form. If risks related to specific items are identified, they are explained in the boxes designated for that purpose in the form.
- After analyzing the internal control risks of control activities, specifically at the level of the main cycles (sales/purchases/.....etc.), according to the models provided below, the aforementioned analysis is reviewed with the general analysis to arrive at the correct analysis.
- An estimated relative weight of 5% is assigned to each of the five main cycles.

Internal Control Risk Analysis

Form No. 21 Planning Stage

Audited entity: -----

fiscal year :-----

prepared by : -----

date : -----

Reviewed by: -----

date : -----

Element: Control Activities - Cash Operations

element	Risk level			Item-level risk score	
	Yes	to some extent	no	to some extent	no
	20%	50%	80%	50%	80%
1- Is there a clear definition of tasks and responsibilities?					
2- Is there a separation of powers regarding bookkeeping, preparation and authorization of disbursements or receipts, and retention of cash?					

3- Is there a convenient system for depositing cash proceeds into the bank account on a timely basis?					
4- Is there an accurate and adequate system for dealing with checks?					
5- Are there the necessary powers to deposit, transfer, and withdraw from bank balances as approved by the administration?					
6- Is there a system for circulating supporting documents to prevent duplication?					
7- Is there an insurance system for treasuries and trustees?					
8- Is there a set of documents that governs all cash transactions?					
9- Are there regular procedures for surprise inventory of storage?					
10- Are there security measures to preserve cash??					

Internal Control Risk Analysis

Form No. 22 Planning
Stage

Audited entity: -----

fiscal year :-----

prepared by : -----

date : -----

Reviewed by: -----

date : -----

Element: Control Activities - Purchasing

element	Risk level	Item-level risk score
---------	------------	-----------------------

	Yes	to some extent	no	to some extent	no
	20%	50%	80%	50%	80%
1- Is there a clear definition of the authority to approve purchase requests and the system for issuing supply orders? 2- Is there a complete separation of responsibilities between those responsible for accounting records, those responsible for issuing checks sent to suppliers, and those responsible for receiving and inspecting goods? 3- Is there a system to track the entry of items through the gate, and a system for receiving and technically inspecting them? 4- Is there an insurance system for the audited entity's purchases? 5- Does the system guarantee that only the original invoices will be disbursed? 6- Are the expenses for the period? 7- Are the tabs and displays correctly? 8- Are invoices stamped with a payment stamp to ensure there are no duplicate payments? 9- Are the supply terms implemented in accordance with the contracts? 10- Are the payment dates correct? 11- Are payment notes delivered to the recipients? 12- Is there a separation of powers between the operations of the process (purchases / accounts payable)?					

13- Are accrued expenses properly recorded according to invoices, agreements, and contracts?					
14- Is there a role for the internal audit department of the entity being audited in conducting reconciliations and comparisons and reviewing their reports?					

Internal Control Risk Analysis

Form No. 23 Planning Stage

Audited entity: ----- **fiscal year :**-----

prepared by : ----- **date :** -----

Reviewed by: ----- **date :** -----

Element: Control Activities - Sales

element	Risk level			Item-level risk score	
	Yes	to some extent	Yes	to some extent	Yes
	20%	50%	20%	50%	20%
1- Is there a clear definition of tasks and responsibilities in the areas of sales and collection?					
2- Are sales invoice editors, credit sales approval, shipping, invoice preparation, and accounting functions separated?					

3- Does the system include controls for invoice serial numbers and a proper method for canceling and storing invoices?					
4- Are there approved policies regulating deferred sales and discount policies?					
5- Is there a system for receiving customer requests and monitoring the stages of the deferred sale process?					
6- Is there a system for preparing goods, sending them to the customer, issuing payment orders, preparing and approving invoices, and inspecting items before they are released?					
7- Is there a system for granting samples of items produced by the entity being audited, and is it within the limits of commercial custom?					

Internal Control Risk Analysis

Form No. 24 Planning
Stage

The entity subject to audit: ----- fiscal year :-----

-

prepared by : ----- date : -----

Reviewed by: ----- date : -----

Element: Control Activities - Inventory

element	Risk level		Item-level score		risk
	Yes	to some extent	Yes	to some extent	Yes
	20%	50%	20%	50%	20%
1- Is there a document system for receiving and disbursing that ensures the traceability of each disbursement or addition (having serial numbers)?					
2- Are the warehouses equipped according to the nature of each type?					
3- Are there security measures in place depending on the nature of the inventory?					
4- Is there a warehouse insurance system?					
5- Is there an insurance system for warehouse keepers?					
6- Are there any means to facilitate the receiving or disbursing process, such as scales and measures?					
7- Is there a system for conducting periodic inventory of warehouses?					
8- Are warehouse balances reconciled with accounts periodically?					

9- Is there a system to record the inventory held by third parties and also held for third parties in the warehouses of the entity being audited?					
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Internal Control Risk Analysis

Form No. 25 Planning Stage

Audited entity: -----

fiscal year :-----

prepared by : -----

date : -----

Reviewed by: -----

date : -----

Element: Control Activities - Salaries

element	Risk level			Item-level risk score	
	Yes	to some extent	Yes	to some extent	Yes
	20%	50%	20%	50%	20%
1- Is there a clear definition of tasks and responsibilities?					
2- Is there a separation of duties regarding human resources management and benefits administration?					
3- Are there records for each employee?					
4- Are there any decisions regarding appointments, promotions, bonuses and incentives?					
5- Are all changes to employee status documented to the Human Resources Department on a timely basis?					

6- Is there a system to record the entry and exit times of employees?					
7- Is it verified that salaries are only paid to employees whose data has been entered by the Human Resources Department?					
8- Are all changes made to payroll accounts approved by a competent authority?					
9- Is there a system to verify that salaries are paid to those entitled to them?					
10-Is there a system for refunding amounts not disbursed by employees?					
11-Are the deductions and transfers to the relevant accounts related to payroll and wages verified?					

Form No. 26 **Internal Control Risk Analysis**
Planning Stage

fiscal year :----- **Audited entity:** -----

--

date : ----- **prepared by :** -----

date : ----- **Reviewed by:** -----

Element: Control Activities - Capital Operations

Item-level risk score		Risk level			element
Yes	to some extent	Yes	to some extent	Yes	
20%	50%	20%	50%	20%	
					1- Is there a provision for all capital expenditures (purchase of non-current assets)? 2- Are non-current asset purchase requests approved by an appropriate management level? 3- Are purchase invoices approved by people who have previously approved purchase orders?

					4- Is there a documentary documentation for purchase requests for non-current assets that differs from the purchase of other current items?
--	--	--	--	--	---

Internal Control Risk Analysis

Form No. 27 Planning Stage

Audited entity: **Fiscal year:** /

Prepared by: **Date:** //

Reviewed by: **Date:** //

Element: Monitoring control elements
weight of the element: 20%

Relative

element	Risk score at the financial statement level			Item-level risk score	
	Yes	to some extent	no	to some extent	no
	20%	50%	80%	50%	80%
Control elements from within the audited entity: 1- What are the elements of the control systems within the entity being audited, such as the internal audit system, administrative control and follow-up systems, and how sufficient are they? 2- The position of the Internal Audit Department in the organizational					

Internal Control Risk AnalysisForm No. 27 Planning
Stage**Audited entity: Fiscal year: /****Prepared by: Date: //****Reviewed by: Date: //****Element: Monitoring control elements**
weight of the element: 20%**Relative**

element	Risk score at the financial statement level			Item-level risk score	
	Yes	to some extent	no	to some extent	no
	20%	50%	80%	50%	80%
structure and its degree of independence? 3- What is the nature of the relationship between those responsible for governance and internal audit systems, and what impact does this have on their independence? 4- What is the competence and experience of internal auditors? 5- What is the development of the internal audit approach in performing its work and the extent of its continuity in oversight? 6- Degree of response to internal audit reports? 7- Is there a quality control system within the audited entity? 8- Where does the quality control system fit into the organizational structure? 9- Experience and competence of the quality control system staff? 10- The approach followed in quality control and its adequacy?					

Internal Control Risk AnalysisForm No. 27 Planning
Stage**Audited entity: Fiscal year: /****Prepared by: Date: / /****Reviewed by: Date: / /****Element: Monitoring control elements**
weight of the element: 20%**Relative**

element	Risk score at the financial statement level			Item-level risk score	
	Yes	to some extent	no	to some extent	no
	20%	50%	80%	50%	80%
11- Responding to quality control reports?					
Control elements from outside the audited entity: 1- What are the regulatory bodies that supervise the entity being audited? 2- What are the observations and findings included in the correspondence and reports of external oversight bodies? 3- The extent of the audited entity's response to the reports of the regulatory authorities.					
<u>Table Summary</u> Risk assessment at the financial statement level: % Risk assessment at item level: Item: % Item.....: %etc.					

Form

No. 28 Planning Stage

Internal control risk analysis at the financial statement level**Audited entity: Fiscal year: / /****Prepared by: Date: / /****Reviewed by: Date: / /**

Field of understanding	Relative weight	Control risk score			Final evaluation
		20%	50%	80%	
Control environment	15%				
Risk assessment procedures	15%				
Information systems	25%				
Supervisory activities	25%				
Monitoring control elements	20%				
Total					

Considerations for using control risk analysis models:

- The scores are totaled and divided by the number of items and the result is rounded to the nearest risk score.
- For items that are not included in the item-level risk column (medium or high), their risk assessment for that item is considered (low).

Internal control risk analysis at the item/..... level

Form No.

29 Planning Stage

Audited entity: Fiscal year: / /

Prepared by: Date: / /

Reviewed by: Date: / /

Field of understanding	Relative weight	Control risk score			Final evaluation
		20%	50%	80%	
Control environment	15%				

Risk assessment procedures	15%				
Information systems	25%				
Supervisory activities	25%				
Monitoring control elements	20%				
Total					

Considerations for using control risk analysis models:

- The scores are totaled and divided by the number of items and the result is rounded to the nearest risk score.
- For items that are not included in the item-level risk column (medium or high), their risk assessment for that item is considered (low).

Audited entity: Fiscal year: / /

Prepared by: Date: / /

Reviewed by: Date: / /

[illegible]

- 201

Distribution of relative importance on the items of the financial position statement

Audited entity: Fiscal year: /

Prepared by: Date: / /

Reviewed by: Date: / /

Item	Amount / in pounds	Confidence coefficient	Item value weighted by confidence level	relative importance of the item
<u>Origins</u>				
fixed assets				
Projects under implementation				
intangible assets				
Investments in subsidiaries				
Financial investments available for sale				
deferred tax assets				
Stock				
Clients, receivables and debtors				
Accounts receivable with holding and				

affiliated companies				
advance payments				
investments at fair value through profit or loss				
Cash and bank balances				
Total assets				

- Item value weighted by confidence level = Item value x Confidence coefficient
- Item relative importance = value of acceptable errors at the list level x (Confidence-weighted item value / Total confidence-weighted item values).

Follow the distribution of relative importance on the items of the financial position statement

Audited entity: Fiscal year: /

Prepared by: Date: //

Reviewed by: Date: //

Item	Amount / in pounds	Confidence coefficient	Item value weighted by confidence level	relative importance of the item
<u>intellectual property rights</u>				
Paid-up capital				
Reserves				
profit and loss carried forward				

Profit (or loss) for the year before distribution				
<u>Obligations</u>				
Bonds				
loans from banks				
Loans from holding and affiliated companies				
Other long-term liabilities				
Allocations				
Bank overdraft				
Suppliers, Payables and Other Creditors				
Accounts payable from holding and affiliated companies				
Other short-term liabilities				
Total equity and liabilities				
Total				

Model (32) Planning Stage

Distribution of relative importance to income statement items

Audited entity: Fiscal year: //

Prepared by: Date: //

Reviewed by: Date: //

Item	The amount In pounds	Confidence coefficient	Item value weighted by confidence level	relative importance of the item
Sales/Revenue	XXX			
Cost of sales/cost of generating revenue	(xx)			
Selling and distribution expenses	(xx)			
Gross profit	Xx			
Investment income	X			
Other gains and losses	X			
Other revenues	X			
allocations for which the purpose is no longer available	X			
Administrative and general expenses	(X)			
Financing expenses	(X)			
Component allocations	(X)			
impairment losses	(X)			
Other expenses	(X)			
earnings before tax	Xx			
Income tax expense	(X)			
Net profit				
Total				

- Item value weighted by confidence level = Item value $\times$ Confidence coefficient
- Item relative importance = value of acceptable errors at the list level $\times$ (Confidence-weighted item value / Total confidence-weighted item values).

Reporting phase appendices In financial Supervision

Attachment No. (1)

Model Number (1)a report the auditor on the financial statements of a listed entity, prepared in accordance with a fair presentation framework

This is an illustrative report template. The auditor for assuming the following conditions:

- Audit a complete set of financial statements of a listed entity, using a fair presentation framework. Audit process Does not include auditing consolidated lists (i.e. the standard auditing 2600Not applicable on it).
- The financial statements have been prepared by the entity's management, in accordance with International Financial Reporting Standards (a general-purpose framework).
- Reflects the terms of engagement auditing a description of management's responsibility for the financial statements contained in the standard auditing (2210)
- It is finished the auditor to an unmodified (i.e., clean) opinion, which is considered appropriate based on the evidence auditing obtained.
- Relevant ethical requirements that apply to auditing. It is the approved code of conduct and professional ethics. INTOSAI.
- Based on evidence auditing obtained, concluded the auditor There is no material uncertainty related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern in accordance with For the audit standard (2570)
- Key issues reported for verification according to the standard auditing (2701)
- Those responsible for overseeing the financial statements differ from those responsible for preparing these statements.
- In addition to audit financial statements, bear the auditor other reporting responsibilities required by local law.

The independent auditor report

To the shareholders of ABC Company [or other (appropriate) addressee]

Report on the Audit of Financial Statements

Opinion:

I have we checked financial statements of ABC Company (the company), which includes the statement of financial position as of December 31x201...and the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31.x201Its financial performance and cash flows for the year ending on that date, in accordance with International Financial Reporting Standards.

Basis of opinion:

We have done in the audit process According to for standards auditing approved INTOSAI our responsibilities under those standards are explained in the Responsibilities section. The auditor on audit the financial statements in our report. We Independent of the company in accordance with the approved rules of professional conduct and ethics. INTOSAI Related

by our scrutiny for the financial statements. We have also met other professional conduct and ethical requirements in accordance with those rules. We believe that the evidence Auditing the information we have obtained is sufficient and appropriate to provide a basis for our opinion.

Main matters for verification:

Main matters for verification these are the matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current period. These matters are addressed in the context of our audit for the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on those matters.

[Describe each major command for verification according to the audit standard (2701)]

Responsibilities of management and those charged with governance for the financial statements:

Management is responsible for the preparation and fair presentation of the financial statements, in accordance with International Financial Reporting Standards and other pronouncements. Approved in this regard and the provisions of the Companies Law auditing the internal controls that management deems necessary to enable it to prepare financial statements that are free from material misstatement, whether due to fraud or error.

When preparing the financial statements, management is responsible for assessing the ability of the entity subject to supervision to remain a going concern and to make disclosures as appropriate, and on matters related to continuity, and the use of the continuity basis in accounting, unless there is an intention to liquidate the entity subject to supervision or cease its operations, or there is no other suitable option.

Those charged with governance are responsible for overseeing the financial reporting process in the entity subject to supervision. (Must the auditor to name here those responsible for governance according to as it is decided standard auditing (2260))

Responsibilities of the auditor on Audit Financial statements:

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report. Audit our opinion includes, Reasonable assurance is a high level of assurance, but it is not a guarantee that Audit process carried out in accordance with the standards Auditing Certified accounting will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of Audit process according to the standards Auditing we exercise professional judgment and maintain professional skepticism during audit process, and on us too:

- Identify and assess the risks of material misstatements in the financial statements, whether due to fraud or error, and design and implement procedures audit in response to these risks, and to obtain evidence Audit sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or overstatement. Internal Auditing.

- Gain understanding for internal verification related to the audit process, in order to design procedures audit appropriate to the circumstances, and not for the purpose of expressing an opinion on its effectiveness. Internal auditing for the entity subject to supervision.
- Evaluating the appropriateness of the accounting policies used, and the reasonableness of the accounting estimates and related disclosures made by management.
- Conclude the appropriateness of management's use of the continuity basis of accounting, based on evidence. Auditing obtained, whether there is a material uncertainty related to events or conditions that may cast significant doubt on the ability the authority to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on evidence auditing obtained up to the date of this report Auditing However, future events or circumstances may cause us to stop. The authority about remaining as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the transactions and events in a manner that achieves fair presentation.

We have informed those charged with governance regarding, among other things, the planned scope and timing. For verification and the important results for the audit process, including any significant deficiencies in auditing the interior we discovered during the audit.

We have also provided those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, related safeguards.

Among the matters communicated to those charged with governance, we identify those matters that were of the utmost importance to: Audit The financial statements for the current period, and accordingly the main matters are: For verification We describe these matters in our report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other regulatory and statutory requirements:

The format and content of this section will vary from report to report. The auditor depending on the nature of the auditor's other reporting responsibilities determined by law, regulation or standards. Audit Other. Matters addressed by another system, regulation or standard must be addressed. Audit other (referred to as "Other Reporting Responsibilities") within this section unless the other reporting responsibilities address the same topics presented in light of the reporting responsibilities, and are required by the Standards auditing as part of the report section on audit financial statements. The report may be combined with other reporting responsibilities that address the same topics required by the standards. auditing (ie include it in the report section about audit financial statements under appropriate subheadings) provided that the wording in the report is distinct the auditor clearly other reporting responsibilities than those required by the standards auditing when there is such a difference.

Partner responsible for engagement auditing which resulted in this report for the auditor independent
[the name].

(Signature on behalf of Supreme Audit Institution, or personal name for the auditor, or both, whenever possible. Suitable)

[address the competent audit department or the supreme audit institution]

[date the report]

Attachment No. (2)

Model Number (2) Report of the Check About the financial statements Consolidated financial statements of a listed entity, prepared in accordance with a fair presentation framework:

For the purposes of this illustrative report template, the auditor it is assumed the following conditions:

- Audit process a complete set of consolidated financial statements for an entity listed, using a fair presentation framework. An audit is a group audit of an entity with facilities. dependent (i.e. That standard auditing 2600 (Applies)
- The consolidated financial statements were prepared by the entity's management, in accordance with International Financial Reporting

Standards and other standards and pronouncements approved according to frame with a general purpose.

- Reflects the terms of engagement Auditing Description of management's responsibility for consolidated financial statements included in the auditing standard (2210).
- It is finished the auditor to an unmodified opinion (Any clean) and that is considered appropriate based on evidence auditing obtained.
- Relevant ethical requirements that apply to audit process code of Conduct and Ethics Approved in INTOSAI.
- Based on evidence Auditing obtained, concluded the auditor there is no material uncertainty related to events or conditions may raise significant doubts about the facility's ability to survive. As a going concern according to the audit standard (2570).
- Key issues reported for verification According to the standard auditing (2701).
- Those responsible for overseeing the consolidated financial statements differ. On those responsible for preparing these lists.
- In addition to auditing the consolidated financial statements, the auditor responsibilities other reports required by local law.

a report the auditor independent

To the shareholders of ABC Company [Or addressed to another(appropriate)]

Report on the Audit of the Consolidated Financial Statements.

Opinion:

I have we have checked Consolidated Financial Statements of ABC Company and its Subsidiaries (The group), which includes a list of Consolidated Financial Center as On 12/31/xx20, the consolidated statement of comprehensive income and the statement of changes in Consolidated equity and consolidated statement of cash flows for the year ended on that date, And the notes attached to the financial statements, including: Summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all Material aspects, consolidated financial position of the Group as at 12/31/xx20 and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with approved International Financial Reporting Standards and other standards and certified pronouncements.

Basis Opinion:

I have we did scrutiny according to the standards Auditing approved in INTOSAI our responsibilities under those standards are explained in Section Responsibilities The auditor on audit consolidated financial statements in our report.

And the Independents of the Group in accordance with the approved code of conduct and professional ethics. We also meet the requirements of conduct and ethics. Profession others according to those rules. We believe that the evidence auditing that we got on it sufficient and appropriate to provide a basis for our opinion.

Things Home for verification:

Things home for verification these are the things which, in our judgment, were Professional, It is of great importance when we are auditing a consolidated financial statement for the period current These matters were addressed in the context of audit a for financial statements unified as a whole, and when forming our opinion on it, we did not provide a separate opinion on that. Things. [Description of each major audit matter according to the standard Auditing)2701(]

Responsibilities of management and those charged with governance for the financial statements Unified:

ManagementIt is responsible for preparing the consolidated financial statements and their fair presentation. According to For International Financial Reporting Standards, other standards and certified pronouncements, and about Provisions of the Companies Law for verification the internal information that the administration deems necessary to enable it to prepare lists financial uniform and free from material misrepresentation, whether due to fraud or error.

And when in preparing the consolidated financial statements, management is responsible for estimating capacity The Group shall remain as a going concern and disclose accordingly. Required the case and on matters relating to continuity, and the use of a basis continuity in accounting, unless there is an intention to liquidate the group or stop its operations, or there is no other suitable option.

And those charged with it governance is responsible for overseeing the reporting process. Financial in the group. [The auditor must name the taxpayers here. By governance in the authority which is audited in accordance with the audit standard. (2260)]

The auditor responsibility in audit consolidated financial statements:

Our objectives are to obtain reasonable assurance about whether the financial statements The consolidated as a whole is free from material misrepresentation, whether due to fraud or error, and issue a report that includes our opinion. Reasonable assurance is High level of assurance, but not a guarantee that audit process which was do it according to standards auditing you will always uncover a fundamental distortion. When present. Misstatements can arise from fraud or error, and are considered Material if it could reasonably be expected to affect, either alone or in combination, all together, on the economic decisions made by users on Basis of these consolidated financial statements.

As part of Audit process according to the standards auditing certified, we practice Professional judgment and maintain skepticism Professional during audit process. and we have to also:

- Identifying the risks of material misstatements in the consolidated financial statements and its appreciation whether due to fraud or error, the design and implementation of procedures Audit in response to those risks, and obtain sufficient audit evidence. And appropriate to provide a basis for our opinion. The risk of not detecting a misstatement is substantial the risk resulting from fraud is higher than the risk resulting from error, because fraud may involve collusion, forgery, intentional omissions, or misleading statements or exceed auditing internal.
- get an understanding internal supervision and related In the audit process, for design procedures audit appropriate to the circumstances, and not for the purpose of expressing an opinion on its effectiveness. Censorship Internal and For the group.
- Evaluating the appropriateness and reasonableness of the accounting policies used. Accounting estimates and related disclosures made by Management.
- Conclude the appropriateness of management's use of the continuity basis in accounting, based on evidence auditing obtained, what If there is a material uncertainty related to events or conditions that may It raises serious doubts about the group's ability to survive as a continuous group.

If we conclude that there is a material uncertainty, we are required to draw attention to it. Pay attention in our report to the relevant disclosures contained in the statements. consolidated financial statements, or if such disclosures are inadequate, shall be amended. Our opinion. Our conclusions are based on evidence. Auditing obtained as of the date of our report. However, future events or circumstances It may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including: In those disclosures, and whether the consolidated financial statements reflect Transactions and events represented in a manner that achieves a fair presentation.

- Get enough evidence of Audit occasion in relation to with financial information of the entities or business activities within the group, to express an opinion on the consolidated financial statements. We are responsible for the direction Supervision and performance Audit process the group. We remain solely responsible. About our opinion.

We have informed those charged with governance regarding, among other things, the scope and the planned timing for verification And the important results of audit, including any Significant deficiencies in internal control that we discovered during audit process.

We have also provided those charged with governance with a statement that we have complied with the requirements. Ethical matters relating to independence, and we informed them of all relationships. and other matters that may reasonably be thought to affect our independence, Where applicable, related warranties.

Among the matters that were communicated to those charged with governance, we identify those matters that: It was of great importance when auditing the consolidated financial statements for the period. Current, and accordingly, the main matters for audit. We explain these Matters in our report unless a law or regulation prevents public disclosure of the matter, or when, in very rare circumstances, we feel that the matter should not be reported. We do not mention it in our report because the negative consequences of doing so are expected to outweigh the public interest benefits from such reporting are reasonably assured.

Report on other regulatory and statutory requirements:

The form and content of this section of the auditor's report will vary depending on: The nature of the auditor's other reporting responsibilities specified by law or regulation or other audit criteria. Matters addressed by another system must be addressed. or other regulation or other audit standards referred to as "Responsibilities Other report Within this section unless the reporting responsibilities are addressed. Other topics are the same as those presented in light of the report's responsibilities, and required by auditing standards as part of the audit report section. Lists financial The report may be combined with the reporting responsibilities. Other, which address the same topics required by auditing standards Any inclusion in the financial statements audit report section under headings Sub-subject appropriate provided that the wording in the auditor's report is distinct Clearly other reporting responsibilities than the reporting responsibilities required Audit criteria when such a difference exists.

Partner responsible for engagement Auditing Which resulted in this report for the auditor Independent

[the name].

(Signature on behalf of Supreme Audit Institution, or personal name for the auditor, or both, whenever possible. Suitable)

[address the competent audit department or the supreme audit institution]

[date The report]

Attachment No. (3)

Form No. (3) Report The auditor financial statements of an unlisted entity, prepared in accordance with for a fair display frame.

For the purposes of this illustrative auditor's report form, the following conditions are assumed:

- Audit of a complete set of financial statements for an unlisted facility, using a display frame Fair. Auditing is not a group audit. (any the audit standard 2600 Not applicable).
- The financial statements were prepared by the facility's management. In accordance with the approved International Financial Reporting Standards and standards and releases the other certified.
- The terms of the audit engagement reflect a description of Management's responsibility for the financial statements in the audit standard (2210)
- The auditor reached an unmodified opinion. (any clean) this is appropriate based on evidence. The audit obtained.
- Relevant ethical requirements that apply on the audit are the rules of conduct and professional ethics (Approved).
- Based on the audit evidence obtained Based on this, the auditor concluded that there was no certainty. Material related to events or circumstances that may cause Significant doubt about the entity's ability to continue as a going concern in accordance with the audit standard) 2570(.
- The auditor is not required to report matters. Home for audit according to the audit standard (2701), and did not decide otherwise.
- Those responsible for supervising the lists differ. Finance for those responsible for preparing this Lists.
- The auditor has no other reporting responsibilities. Required by local law.
- To refer to the description of his responsibility contained in Website selects auditor authority suitable.

Independent Auditor's Report

To the shareholders of ABC Company [Or addressed to another (appropriate)]

Opinion:

We have audited the financial statements of ABC Company. (The company), which includes the statement of financial position as of December 31 ×201, comprehensive income statement and statement of Changes in equity and statement of cash flows for the year ended That date, and the notes accompanying the financial statements, including: Summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2018. and its financial performance and cash flows for the year ending on that date, in accordance with the standards International Financial Reporting standards and other versions Approved.

Basis Opinion:

We did the audit process according to the standards INTOSAI our responsibilities under those standards are explained in Section responsibilities the auditor's report on the audit of the financial statements. We Independents about the company In accordance with the approved professional codes of conduct and ethics relevant to our audit of the financial statements, we have also fulfilled Also we comply with other professional conduct and ethics requirements in accordance with these rules. We believe that evidence auditing the information we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements:

ManagementIt is responsible for preparing the financial statements and their fair presentation in accordance with the approved International Financial Reporting Standards. and standards and other versions certified and the provisions of the Companies Law and oversight Interior which the management deems necessary to enable it to prepare financial statements. empty from a material misrepresentation, whether due to fraud or error. And when, in preparing the financial statements, management is responsible for assessing the ability of The company to remain a going concern and to make disclosures as required The case and on matters relating to continuity, and the use of a basis continuity in accounting, unless there

is an intention to liquidate the company or stop its operations, or there is no other suitable option.

and those charged with its governance is responsible for overseeing the reporting process. Financial in the company. (the auditor must name the taxpayers here. by governance in the company he reviews, according to the standard audit (2260).

Responsibilities auditor on auditing financial statements:

it is represented by our objectives are to obtain reasonable assurance about whether the financial statements as a whole free from material misstatement, whether due to fraud or error, and issuing the auditor's report, which includes our opinion. reasonable assurance is a high level. of course, it is not a guarantee that audit process which were done according to the approved audit standards will always be disclosed. a material misstatement when it exists. misstatements can arise from: fraud or error, and is considered material if it could reasonably be expected to affect Alone or in combination, on the economic decisions taken by Users on the basis of these financial statements.

There is a further description of the auditor's responsibilities for auditing the statements. Finance on the organization's website on Website link It constitutes This description is part of our report...

Partner responsible for engagement Auditing which resulted in this report for the auditor Independent [the name]

(Signature on behalf of Supreme Audit Institution, or personal name for the auditor, or both, whenever possible. Suitable)

[address the competent audit department or the supreme audit institution]

[date the report]

Model Number (4) Auditor's report on the financial statements For an unlisted entity, prepared under a general-purpose compliance framework:

For the purposes of this illustrative form of auditor's report, assuming the following conditions:

- audit of a complete set of financial statements for a non-profit entity listed, required by law or regulation. audit it is not group audit i.e. audit standard (2600)no applicable).
- the financial statements were prepared by the facility's management, in accordance with the framework. financial report (system s a) for the states that is a financial reporting framework includes a system or regulation, designed to meet common financial information needs of a broad sector from users, but it is not a fair display framework.
- reflects the terms of engagement auditing description of management responsibility about the financial statements included in the audit standard (2210).
- the auditor reached an unmodified opinion. (any clean) and it is considered that is appropriate based on evidence. Audit which was obtained on it.
- relevant ethical requirements that apply to audit process, it is the approved code of conduct and ethics of the profession.
- based on the audit evidence obtained, we concluded that: the auditor concludes that there is no material uncertainty related to the events. or circumstances that may raise significant doubt about the facility's ability to remaining as a going concern according to the audit standard (22570)
- the auditor is not required to report on key matters. to be audited according to the audit standard (2701)and did not decide otherwise.
- those responsible for overseeing the financial statements differ from those responsible for preparing these lists.
- the auditor has no other required reporting responsibilities. under a local system.

independent auditor's report

to whom it is addressed(appropriate)

opinion:

we have audited the financial statements of abc company. (the company), which includes the statement of financial position as of

December 31×201, and income statement comprehensive, the statement of changes in equity, and the statement of cash flows for the year ended that date, and the notes accompanying the financial statements, including: summary of significant accounting policies.

in our opinion, the accompanying financial statements of the company are prepared in all respects. essentially, according to the ssa system of states.

basis of opinion:

we have conducted our audit in accordance with the approved auditing standards. our responsibilities under those standards are explained in section responsibilities the auditor's report on the audit of the financial statements. we independent about the company in accordance with the approved professional codes of conduct and ethics relevant to our audit of the financial statements, as well as and in us also we comply with other professional conduct and ethics requirements in accordance with these rules. we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. In auditing.

responsibilities of management and those charged with governance for the financial statements:

Management is responsible for preparing the financial statements according to the ssa system. for the states, and regarding the internal control that the management deems necessary, to enable it to prepare financial statements that are free from material misstatement, whether due to cheat or wrong. and when in preparing the financial statements, management is responsible for assessing the ability of the company to remain a going concern and to make disclosures as required the case on matters relating to continuity, and the use of a basis continuity in accounting, unless there is an intention to liquidate the company or stop its operations, or there is no other suitable option. and those charged with it governance is responsible for overseeing the reporting process. Financial in the company. [the auditor must name the taxpayers here. by governance in the company he is reviewing, according to the audit standard. (2260)]

Responsibilities auditor on auditing financial statements:

it is represented by our objectives are to obtain reasonable assurance about whether the financial statements as a whole free from material

misstatement, whether due to fraud or error, and issuing a report the auditor who includes our opinion. reasonable assurance is a high level. From confirmation, but not a guarantee, that the audit that it was done according to for standards certified audit always reveal distortion material when present. misstatements can arise from to cheat or error, and is considered material if it can reasonably be expected that it will affect alone or in combination, on the economic decisions taken by users on the basis of these financial statements.

as part of the audit in accordance with approved auditing standards, we exercise professional judgment and maintain skepticism. professional during audit, and we have to also: -

- identifying and assessing the risks of material misstatement in the financial statements whether due to fraud or error, and the design and implementation of audit procedures response for those risks, and obtain sufficient and appropriate audit evidence. to provide basis for our opinion. the risk of not detecting a material misstatement resulting from on cheating is more dangerous than error, because cheating may involve on collusion, forgery, intentional omission, misleading statements, or transgression interior control.

- gain an understanding of internal control relevant to the audit, in order to: design audit procedures appropriate to the circumstances, but not for the purpose of expressing opinion on the effectiveness of the company's internal control.

- evaluating the appropriateness and reasonableness of the accounting policies used. Estimate accounting and related disclosures made by management.

conclude the appropriateness of management's use of the going concern basis. accounting, based on the audit evidence obtained, what if there is a material uncertainty related to events or conditions that may it raises significant doubt about the company's ability to continue as a going concern. if we have concluded that a material uncertainty exists, which we are required to draw attention to. in our report to the related disclosures in the financial statements, or if such disclosures are inadequate, our opinion is modified. our conclusions are based on the audit evidence we have obtained.

get it up to date our report. however, future events or circumstances may cause in the company ceasing to continue as a going concern. we have informed those charged with governance regarding, among other things, the scope the planned timing of the audit and the significant audit findings, including any significant deficiencies in internal control that we identified during the audit.

partner responsible for engagement auditing which resulted in this report for the auditor independent [the name]

(Signature on behalf of supreme audit institution, or personal name for the auditor, or both, whenever possible. suitable)

[address the competent audit department or the supreme audit institution]

[date the report]

attachment no. (5)

model no. (5) report reserved opinion due to distortion material to the financial statements:

for the purposes of this illustrative auditor's report, the following conditions are assumed:

- auditing a complete set of financial statements for an entity listed, using a fair presentation framework. auditing not an audit group (any the audit standard (2600) no applicable (.
- the financial statements were prepared by the facility's management, in accordance with: for international financial reporting standards, and standards and releases the other one pain depends to frame with purpose general.
- the terms of the audit engagement reflect a description of the auditor's responsibility. management on the financial statements contained in the standard auditing (2210)
- the inventory has been misstated. the mis station is material, but it is not common in financial statements. (that is, the opinion conservative is appropriate for).
- relevant ethical requirements that apply to auditing is the approved code of conduct and ethics of the profession. In INTOSAI.
- based on the audit evidence obtained, the auditor concluded that there is no material uncertainty. relating to events or circumstances which may raise serious doubt regarding the ability of the establishment to continue as a going concern, according to the audit standard (2570)
- the main audit matters reported, according to: for audit standard (2701)
- those responsible for supervising the lists differ. finance on the officials responsible for preparing these lists.
- in addition to auditing the financial statements, it is responsible for: auditor other reporting responsibilities under the system local.

Independent auditor's report

to the shareholders of ABC company [or addressed to another(appropriate)]

report on the audit of financial statements

conservative opinion

we have reviewed the financial statements of abc company. (the company), which includes the statement of financial position as of December 31 ×201, the statement of comprehensive income, the

statement of changes in equity, and the statement of cash flows for the year ending on that date, and the notes attached to the financial statements, including a summary of significant accounting policies. In our opinion, excluding the effects of the order described in the basis for opinion section, we are qualified in our report, the accompanying financial statements present fairly, all material aspects, the financial position of the company as of December 31, 2011 and its financial performance and cash flows for the year ending on that date, in accordance with the approved international financial reporting standards, and other standards and publications. for approval.

basis for qualified opinion:

the company management did not show the inventory. The registered in the financial center list b .xxx at the lower of cost or net realizable value, but it was shown at cost only, which represents a departure from the international financial reporting standards and the standards and releases other company records indicate that if management showed stock at the lower of cost or net realizable value, stock should be reduced for amount xxx arriving to its net realizable value, and therefore the cost of sales will increase by xxx and it will decrease income tax net income and shareholders' equity xxx and, xxxandxxxin succession i have we have conducted our audit in accordance with the approved auditing standards INTOSAI our responsibilities under those standards are made clear. In the auditor's responsibilities for the audit of the financial statements section of our report.

we are independent of the company in accordance with the rules of professional conduct and ethics. approved in INTOSAI relevant to our audit of the listings finance, as we have fulfilled other professional conduct and ethics requirements in accordance with those the rules. we believe that the audit evidence we have obtained is sufficient and appropriate. to provide a basis for our qualified opinion.

key matters to audit:

the main matters to audit are those which, in our judgment, were: professional, it is of utmost importance when we audit the financial statements for the period current. these matters were addressed in the context of our audit of the statements. the financial statements as a whole and when forming our opinion thereon, we did not provide a separate opinion on those. matters. in addition to the matter described

in the basis for qualified opinion section, we have identified the matters described below as key audit matters. it will be reported in our report...
[description of each major audit matter, according to the audit standard (2701)]

responsibilities of management and those charged with governance for the financial statements:

look model no. (1)

auditor's responsibilities for auditing financial statements:

look model no. (1)

report on other regulatory and statutory requirements:

look model no. (1)

partner responsible for engagement auditing which resulted in this report for the auditor independent [the name]

(Signature on behalf of supreme audit institution, or personal name for the auditor, or both, whenever possible. suitable)

[address the competent audit department or the supreme audit institution]

[date the report]

attachment no. (6)

model number (6)

Opposing report view due to distortion material to the consolidated financial statements:

for the purposes of this illustrative auditor's report, assuming the following conditions:

- audit of a complete set of consolidated financial statements for a listed entity, using a fair presentation framework. audit it is a group audit of an entity with subsidiary entities. (that is to say audit standard (2600) applicable).
- the consolidated financial statements were prepared by the entity's management. in accordance with international financial reporting standards, other standards and pronouncements to frame with general purpose.
- the terms of the audit engagement reflect a description of management's responsibility. On consolidated financial statements included in the auditing standard (2210).
- the consolidated financial statements are materially misstated due to: non consolidation of a subsidiary, it is considered a fundamental distortion. Common in the consolidated financial statements, no effects have been identified. Distortion on the consolidated financial statements, since it is not it is practically possible to do this. (that is, the opposing opinion he appropriate (.
- relevant ethical requirements that apply to auditing it is the approved code of conduct and professional ethics in INTOSAI.
- based on the audit evidence obtained, it's done the auditor concluded that there is no material uncertainty. Relationship by events or circumstances, which may raise serious doubt about capacity the establishment is required to continue as a going concern, in accordance with the standard auditing(2570)
- key audit matters reported, in accordance with the auditing standard. (2701) those responsible for supervising the lists differ. finance on the officials responsible for preparing these lists in addition to auditing the financial statements, it is responsible for: auditor other reporting responsibilities under the system local.

independent auditor's report

to the shareholders of ABC company [or addressed to another(appropriate)]

report on the audit of financial statements

conservative opinion

we have reviewed the financial statements of ABC company. (The company (which includes the statement of financial position as of December 31 x201, and comprehensive income statement, the statement of changes in equity, the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies. in our opinion, excluding the effects of the order described in the basis for opinion section, we are qualified in our report, the accompanying financial statements present fairly, all material aspects of the company's financial position as of December 31 x201. its financial performance and cash flows for the year then ended. date, in accordance with international financial reporting standards, other standards and pronouncements for her approval.

basis for qualified opinion:

the company's inventory is recorded in the statement of financial position b. xxx management did not show inventory at cost or net realizable value, whichever is lower. but it showed it at cost only, which represents a departure from international financial reporting standards, and standards and releases other approved. Company records indicate that if

the management showed stock at the lower of cost or net realizable value, inventory should be written down. For amountxxx arriving for its net realizable value, therefore, the cost of sales will increase by xxx, and it will decrease income tax, net income, and shareholders' equity xxx, and xxx, andxxx in succession

we have conducted our audit in accordance with the approved auditing standards. INTOSAI our responsibilities under those standards are made clear. In the auditor's responsibilities for the audit of the financial statements section of our report.

we are independent of the company in accordance with the rules of professional conduct and ethics. approved in INTOSAI relevant to our audit of the listings finance, as we have fulfilled other professional conduct and ethics requirements in accordance with those the rules. we believe that the audit evidence we have obtained is sufficient and appropriate. to provide a basis for our qualified opinion.

key matters to audit:

the main matters to audit are those which, in our judgment, were: professional, it is of utmost importance when we audit the financial statements for the period current. these matters were addressed in the context of our audit of the statements. the financial statements as a whole and when forming our opinion thereon, we did not provide a separate opinion on those. matters. in addition to the matter described in the basis for qualified opinion section, we have identified the matters described below as key audit matters. it will be reported in our report.

[description of each major audit order]

responsibilities of management and those charged with governance for the financial statements:

look model no. (1)

auditor's responsibilities for auditing financial statements:

look model no. (1)

report on other regulatory and statutory requirements:

look model no. (1)

partner responsible for engagement auditing which resulted in this report for the independent auditor [the name]

(Signature on behalf of supreme audit institution, or personal name for the auditor, or both, whenever possible. suitable)

[address the competent audit department or the supreme audit institution]

[date the report]

attachment no. (7)

model number (7)

Opinion reports by a cautious opinion due to lack of the auditor's ability to obtain sufficient evidence audit in relation to a foreign affiliate.

for the purposes of this illustrative auditor's report, the following conditions are assumed:

- audit of a complete set of financial statements unified for a listed entity, using a presentation framework fair. auditing is a group audit of an entity. with affiliated facilities (that is, the audit standard 2600 applicable).
- the consolidated financial statements were prepared by the management. the facility, in accordance with international financial reporting standards and the standards and releases other certified for framed and purpose general.
- the terms of the audit engagement reflect a description of for responsibility management on the financial statements contained in audit standard (2210)
- the auditor was unable to obtain what it is enough from appropriate audit evidence, in relation to: by investing in a foreign affiliated facility. Effects potential for not being able to get on sufficient appropriate audit evidence essential, but it is not common in financial statements. unified (that is, the conservative opinion is appropriate (.
- relevant ethical requirements that apply on auditing is the code of conduct and ethics of the profession. Approved in INTOSAI.
- Based on the audit evidence obtained, the auditor concluded that there is no material uncertainty related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern, in accordance with auditing standard (2705). it was completed reporting on things home for verification, according to for standard audit (2701).
- The main audit matters were reported in accordance with the auditing standard (2701).
- The individuals responsible for overseeing the consolidated financial statements are different from those responsible for preparing these statements.
- In addition to auditing the consolidated financial statements, the auditor has additional reporting responsibilities under local regulations.

Independent Auditor's Report to the Shareholders of ABC Company [or another appropriate addressee] [Report on the Audit of the Consolidated Financial Statements: Qualified Opinion

We have audited the consolidated financial statements of Company ABC and its subsidiaries (the Group), which include the consolidated statement of financial position as of December 31, 201x, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended, along with the notes to the consolidated financial statements, including a summary of significant accounting policies. In our opinion, except for the possible effects of the matter described in the basis for our qualified opinion section of our report, the attached consolidated financial statements present fairly, in all material respects, the financial position of the Group as of December 31, 201x, and its consolidated financial performance and consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards, and other applicable standards and interpretations.

Basis of the qualified opinion:

The investment of the group in the foreign associate company S P A - which was acquired during the year - was recorded and accounted for under the equity method in the consolidated statement of financial position as of December 31, 201x, for the amount of XXX. The share of company A B C in the net income of company S P A has been included in the income of company A B C for the year ended on that date, for the amount of XXX. We were unable to obtain sufficient appropriate audit evidence regarding the carrying amount of company A B C's investment in company S P A as of December 31, 201x, and the share of company A B C in the net income of company S P A for that year due to our inability to access financial information and management of the company S P A. Therefore, we could not determine whether any adjustments to those amounts were necessary. We conducted the audit in accordance with the accepted auditing standards in INTOSAI, and our responsibilities under those standards have been explained in the section on the auditor's responsibilities for auditing the consolidated financial statements in our report. We are independent of the group in accordance with the relevant codes of conduct and professional ethics established by INTOSAI related to our audit of the consolidated financial statements, and we have complied with its ethical requirements. things home for verification: And the other

professional standards according to those rules. We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our conservative opinion.

Main points for auditing : Things that, according to our professional judgment, have importance adult when our audit for lists finance unified for the period current .and done to treat that things in context our review of the lists finance unified as a whole and when formation our opinion in it, and did not we offer separate opinion in that things.in addition for the matter the explained in to divide basis of opinion the conservative, i have we have identified that things illustrated below it will be main issues for verification it will be reporting about her in our report.

] and per commander president for verification]

responsibilities management and those charged with the responsibility by governance on lists unified finance:

]look form no. (2)]

responsibilities the auditor on audit lists finance unified:

]look form no. (2)]

the report on requirements regular and organizational other:

]look form no. (2)]

partner responsible for engagement auditing which resulted in this report for the independent auditor [the name]

(Signature on behalf of supreme audit institution, or personal name for the auditor, or both, whenever possible. suitable)

[address the competent audit department or the supreme audit institution]

[date the report]

attachment no. (8)

Model No. (8)

Report of refusal to express an opinion, due to the auditor's inability to obtain sufficient appropriate audit evidence regarding one element in the consolidated financial statements.

For the purposes of this illustrative audit report, the following circumstances are assumed:

- An audit of a complete set of consolidated financial statements of a non-listed entity, using a fair presentation framework.
- The audit is a group audit - of the entity and its subsidiaries - (i.e. the auditing standard 2600 applies).
- The consolidated financial statements have been prepared by the management of the entity, in accordance with International Financial Reporting Standards, and other accepted standards and releases (a general-purpose framework).
- The audit engagement terms reflect the management's responsibility for the consolidated financial statements as described in auditing standard (2210).
- The auditor was unable to obtain sufficient appropriate audit evidence regarding one element in the consolidated financial statements. This means that the auditor was also unable to obtain audit evidence about the financial information for an investment in a joint venture, which represents more than 90% of the entity's net assets. The potential effects of the inability to obtain sufficient audit evidence are... The relevance is crucial and common in consolidated financial statements (i.e., an abstention from expressing an opinion is appropriate).
- The relevant ethical requirements that apply to auditing are established codes of conduct and professional ethics.
- Those responsible for supervising the consolidated financial statements are different from those responsible for preparing these statements.
- There needs to be a section that includes a more specific description of the auditor's responsibilities.
- In addition to auditing the consolidated financial statements, the auditor has additional reporting responsibilities under local regulations.

Independent Auditor's Report To the Shareholders of ABC Company [or addressed to another suitable party] Report on the Audit of Consolidated Financial Statements: Disclaimer of Opinion:

We were engaged to audit the consolidated financial statements of ABC Corporation and its subsidiaries (the group), which include the consolidated statement of financial position as of December 31, 20XX, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended, and the accompanying notes to the consolidated financial statements, including a summary of significant accounting policies. We do not express an opinion on the accompanying consolidated financial statements of the group, due to the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, and we were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on those consolidated financial statements.

Basis for Disclaimer of Opinion: The group's investment in its joint venture with XYZ Company is recorded in the group's statement of financial position, representing more than 90% of the group's net assets as of December 31, 20XX, and we were not permitted access to the management and auditors of XYZ Company. S A, including the documentation of the company auditors S A for auditing. As a result, we were unable to determine whether any adjustments were necessary regarding the group's share as a percentage of the assets of the company S A, which is jointly controlled, and its share as a percentage of the liabilities of the company S A, for which it is jointly responsible, and its share as a percentage of the revenue and expenses of the company S A for that year, as well as the elements that make up the consolidated statement of changes in equity and the consolidated cash flows statement.

Basis for the refusal to express an opinion:

The group's investment in its joint venture with Company S.A.E was recorded in the group's statement of financial position, representing more than 90% of the group's net assets as of December 31, 201X. We were not allowed access to the management and auditors of Company S.A.E, including documentation from the auditors of Company S.A.E for the audit. As a result, we were unable to determine whether any adjustments were necessary regarding the group's share as a percentage of the assets of Company S.A.E, which is controlled jointly, and its share as a percentage of the liabilities of Company S.A.E, for which it holds joint responsibility, as well as its share as a percentage of Company S.A.E's income and expenses for that year,

and the items that make up the consolidated statement of changes in equity, and the consolidated cash flow statement. **responsibilities of management and those charged with governance for the financial statements:**

(look form no. (2))

auditor's responsibilities for auditing consolidated financial statements:

our responsibility is to audit the consolidated financial statements. for the group, in accordance with the approved auditing standards and issue an auditor's report. however, due to the matter explained in the section on the basis of abstention from opinion, we were unable to obtain sufficient appropriate audit evidence to provide a basis for the audit opinion. in those consolidated financial statements.

we are independent of the group in accordance with the rules of professional conduct and ethics. approved relevant to our audit of the statements finance, as we have fulfilled other professional conduct and ethics requirements in accordance with those rules.

report on other regulatory and statutory requirements:

(look form no. (2))

The partner responsible for the audit engagement that resulted in this report for the independent auditor [name]

(signature on behalf of the supreme audit institution, or the auditor's personal name, or both, as appropriate)

[Address of the specialized audit management or the supreme audit institution]

[Date of the report]

attachment no. (9)

Model No. (9) Report of Disclaiming Opinion, due to the auditor's inability to obtain sufficient appropriate audit evidence regarding multiple elements in the financial statements:

For the purposes of this illustrative auditor's report, the following conditions are assumed:

- Audit of a complete set of financial statements of a non-listed entity, using a fair presentation framework; this is not a group audit (i.e., auditing standard 2600 does not apply).
- The financial statements have been prepared by the management of the entity in accordance with the International Financial Reporting Standards adopted, and other adopted standards and publications (a framework for general purpose).
- The terms of the audit engagement reflect a description of management's responsibility for the consolidated financial statements as stated in auditing standard (2210).
- The auditor was unable to obtain sufficient appropriate audit evidence concerning many elements of the financial statements, meaning the auditor also could not obtain audit evidence regarding inventory and accounts receivable in the entity. The potential effects of the inability to obtain sufficient appropriate audit evidence are material and pervasive in the financial statements.
- The relevant ethical requirements that apply. In essence, these are the rules of conduct and professional ethics adopted in the Kingdom of Saudi Arabia. The officials supervising the financial statements differ from those responsible for preparing these statements. A more specific description is required in the section on the auditor's responsibilities. In addition to auditing the financial statements, the auditor has additional reporting responsibilities under local regulations.

Independent Auditor's Report

To the shareholders of Company A B J [or to any other appropriate addressee] **Report on the Audit of the Financial Statements**

Disclaimer of Opinion: We were engaged to audit the financial statements of Company A B H (the company), which comprise the statement of financial position as of December 31, X 201, the statement of comprehensive income, the statement of changes in equity, and the cash flow statement for the year then ended, and the notes to the financial statements, including a summary of significant

accounting policies. We did not express an opinion on the accompanying financial statements of the company. Given the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on those financial statements.

Basis for Disclaimer of Opinion: We were not contracted as auditors for the company until after December 31, X 201; therefore, we did not attend the physical inventory count at the beginning and end of the year. We were unable to satisfy ourselves by alternative means regarding the quantities of inventory held at December 31, 20X, which are shown in the statements of financial position at XXX and XXX, respectively. Additionally, the entry the new electronic system for accounts receivable in September 20XX led to numerous errors in those accounts to this date..

In our report, the management was still in the process of rectifying deficiencies in the system and correcting errors. We were unable to confirm or verify the accounts receivable listed in the statement of financial position amounting to a total of ××× as of December 31, 1x 20 through other means. As a result of these matters, we could not determine whether any necessary adjustments regarding what is recorded or not recorded in inventory and accounts receivable, the elements that make up the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows, were required.

Responsibilities of management and those charged with governance regarding the financial statements: [See model number (1)] Responsibilities of the auditor for auditing the financial statements:

Our responsibility is to conduct an audit of the company's financial statements in accordance with the auditing standards set forth in INTOSAI and to issue an auditor's report. However, due to the matters outlined in the Basis for Disclaimer of Opinion section of our report, we were unable to obtain sufficient appropriate audit evidence to provide a basis for our audit opinion on those financial statements. We are independent of the company in accordance with the relevant ethical rules and codes of conduct in INTOSAI related to our audit of the

financial statements, and we have fulfilled our other ethical responsibilities in accordance with those rules.

Report on other statutory and regulatory requirements:

[See model number (1)]

The partner responsible for the audit engagement that resulted in this report for the independent auditor [name] (signature on behalf of the supreme audit institution, the personal name of the auditor, or both, as appropriate)

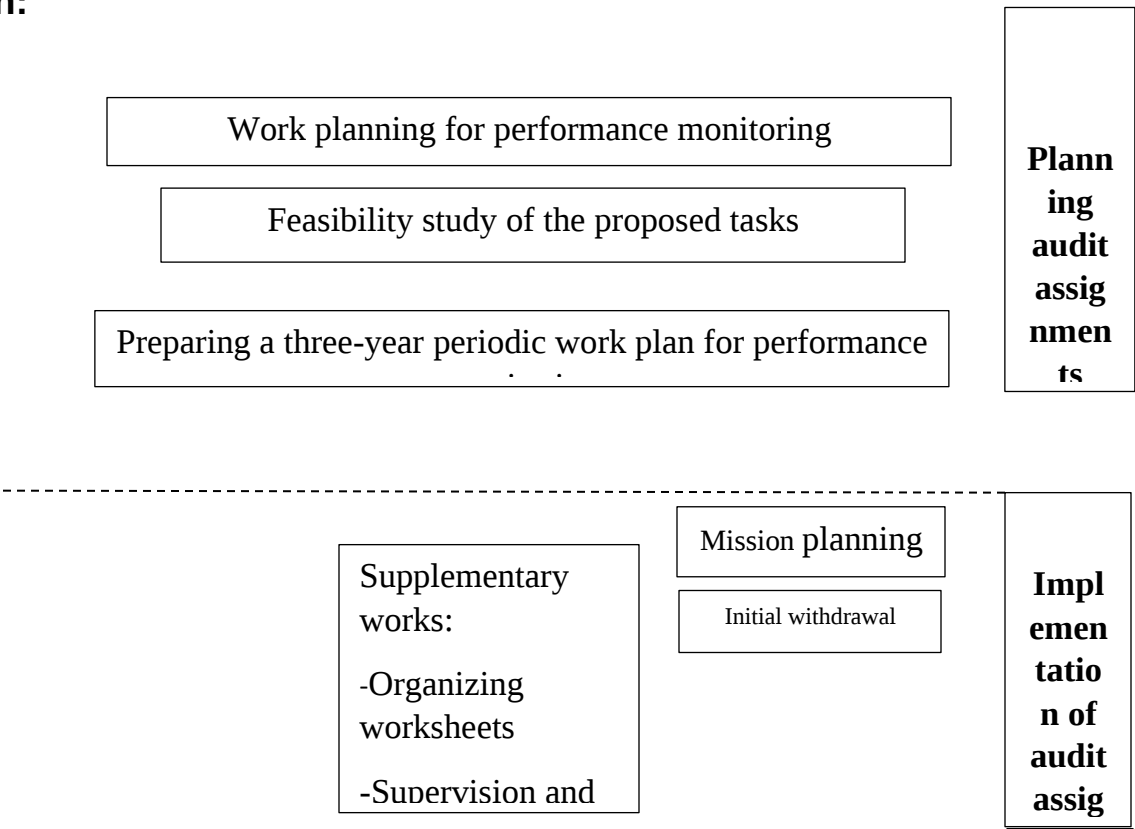
[Address of the competent audit department or the supreme audit institution]

[Date of the report]

1. Performance Control Appendices

Attachement (1)

The general methodology for performance auditing in the Supreme Audit Institution is to follow the following general model path:



Execute the mission

Preparing the
assignment report

Preparing follow-up reports

Measuring the financial and non-financial impact
of performance audit tasks

Supplementary
works:

- Organizing
worksheets
- Supervision and
"

Selection factors	Mission1	Mission2	Mission3	Mission4
Overall impact of the topic	High Average ☐ Low	High Average ☐ Low	High Average ☐ Low	High Average ☐ Low
Relevance of the topic to the Sustainable Development Goals	High Average ☐ Low	High Average ☐ Low	High Average ☐ Low	High Average ☐ Low
Risk level (financial, operational, health, safety and environment)	High Average ☐ Low	High Average ☐ Low	High Average ☐ Low	High Average ☐ Low
Topic relevance Governance, internal control, effective management.	High Average ☐ Low	High Average ☐ Low	High Average ☐ Low	High Average ☐ Low
Impact of activity on society	High Average ☐ Low	High Average ☐ Low	High Average ☐ Low	High Average ☐ Low
The extent of current interest in the topic by	High Average ☐	High Average ☐	High Average ☐	High Average ☐

those concerned with the reports of the Supreme Audit Institution or its connection to the state development plan	Low	Low	Low	Low
Not checking the subject in advance	High Average ☐ Low	High Average ☐ Low	High Average ☐ Low	High Average ☐ Low
Verifiability of the subject	High Average ☐ Low	High Average ☐ Low	High Average ☐ Low	High Average ☐ Low
The topic's relevance to the Supreme Audit Institution's strategic plan	High Average ☐ Low	High Average ☐ Low	High Average ☐ Low	High Average ☐ Low

Attachment (2) Performance Control Task Selection Matrix

low 1	middle 2	High 3	Evaluation grades
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Attachment (3) Form of auditors' commitment to the rules of professional ethics during the audit

Name of the entity	Xxxxxx
Supervision period	1-1-20xx until 31-12-20xx

Documentation		The signature	Review and approval	The signature
the name				
Job title				
the date				

1	2	3
---	---	---

Code of Professional Ethics	Advertisement	Reasons that prevent commitment
Integrity	• I will act honestly, reliably, in good faith, and in the public interest. I will be trustworthy in my work, adhering to the policies and standards set by the supreme audit institution for which I work.	
	• I will exercise due diligence in exercising my responsibilities and use my powers, information, and resources solely for the public good. I will not use my position to obtain personal favors or benefits for myself or others.	
	• I will remain vigilant regarding integrity weaknesses and approaches to mitigate them.	
Independence and objectivity	• I will maintain my independence from political influence and be free from political bias.	
	• I will not participate in the decision-making process related to the management of the audited entity.	
	• I will avoid situations in which personal interests could influence decision making.	
	• I will avoid circumstances in which relationships with management or employees of the audited entity or other parties might influence decision-making.	
	• I will refuse gifts, favors, or preferential treatment that could	

	impair independence or objectivity.	
Efficiency	•I will perform my duties in accordance with applicable standards and exercise due diligence.	
	•I will act in accordance with the requirements of the assignment carefully, accurately and in a timely manner.	
	•I will maintain and develop my knowledge and skills to keep pace with developments in my professional environment in order to perform my work optimally.	
Professional conduct	•I will comply with applicable laws and regulations, as well as the guidelines set by the Supreme Audit Institution.	
	•I will not engage in any behavior that may harm the credibility of the Supreme Audit Institution.	
Confidentiality and transparency	•I will remain aware of the legal obligations and the Supreme Audit Institution's policies and guidelines regarding confidentiality and transparency.	
	•I will not disclose any information obtained as a result of my work without proper and specific authorization, and unless there is a legal or professional right or duty to do so.	

	•I will not use confidential information for personal gain or for the benefit of third parties.	
	•I will remain vigilant against the possibility of inadvertently disclosing confidential information to third parties.	
	•I will maintain professional confidentiality during and after my service.	

Supreme Audit Institution Attachment (4)

Audit program

Sector:						
Management:						
Monitoring:						
fiscal year:						
Mission Statements:						
Name of the task/agency subject to oversight						
Task number:						
Audit team:	1-		3-		5-	
	2-		4-		6-	
Control work according to the stages of the control process*						
series	stage	Description of control processes	Proposed action	Reference**	Team member	Expected completion time
					Accreditation	Accreditation date
Team Leader						
observer						
the boss						

Attachment No. (5)

Audit Engagement Planning Matrix

Control Questions (Examples/D escriptive/Q uantitative)	Standards and information sources	Audit methods used	Exami nation restrict tions	Expected results of audit work
What are the audit questions that the team sets and tries to answer through the audit work?	What information does the team require to determine expected outcomes? What information is needed to answer the oversight questions? Where will the team obtain the information? (Information source).	How will the audit team answer each audit question? What analyses will be used based on the information expected to be obtained?	What are the expected restrictions for answering regulatory questions?	What are the expected outcomes of the audit mission? What information does the audit team hope to obtain?

Attachment No. (6)

(Working Papers File Indexing Form)

File number	the components	Content	Department
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A-100	• First draft version of the report (linked to the working papers and audit program).	Mission reports	A
A-200	• Revised version after review by the supervisor, director and technical office.		
A-300			
A-400	• The entity's response to the draft report.		
B-100	• The second edition of the report approved by the Supreme Audit Institution		
C-100	• Audit plan and audit schedule	Planning an Audit Mission	for
C-200	• Incoming.		
D-100	• Outgoing.		
D-200	• Laws, decrees, decisions and articles of association.	Correspondence	C
D-300	• Regulations and systems/procedural manuals.	Understanding the entity's activity	D
D-400	• Organizational structure/list of responsibilities and job descriptions.		
D-500	• Audited financial statements/management letters/internal audit reports.	Carrying out h examinations	
D-600	• Minutes of the audit team's meetings with the entity's officials.		
D-700	• Minutes of board meetings/activity reports, etc.		
	• Other documents.		

	Audit assignment sections according to the axes included in the audit program, including working papers and evidence.		
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2. Compliance Control Appendices

Appendix No. (1)

Matrix documentation Supervision results

requirements Standard International for Devices Supreme for Supervision Finance and accounting 4000.179

Name of the entity	
Supervision period	

numbers		the signature	Review approval and	Documentation
the name				
Job				
the date				

Control risks						
Results						
1	2	3	4	5	6	7
Control Risks/Questions	Standards	Status/Evidence	Results	Cause and effect of results	Conclusion	Recommendations

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Completion Data template matrix results Censorship guide the process The proposal

The purpose of completion The model	the goal from Filling paper the job This is amazing he Facilitate numbers results Censorship In a way methodology. Needs For the observer to Filling this Template For every risk and writing note According to for the model the device the highest for supervision private with the results. It will be He has reference Documentation Required per as a result of this Will ensure coverage Evidence and documents.		
Requirements covered by the International Standard on Supreme Audit Institutions:	Standard International for Devices Supreme for Supervision Finance and accounting4000.179		
Guide	Risks Censorship: this he same what rose in plan Censorship, that It indicates to register Risks with regards per risk or a question Supervisory, He should repetition Items Incoming in table Below.		
	Column 1	Risks Specific in phase Planning According to the process illustrated: problems that maybe that to speak.	
	Column 2	authorities or Rules or Regulations that Control The authority/Events/the condition appointed used to determine Answer to danger, whether Was it Compatible or no.	
	Column 3	what Things that Discover it observer in Mission Supervisory, the situation present in the side, whether He was deviate from Standards Specific, what are the results?	

		collection Evidence Using methods, techniques, or procedures Different
	Column 4	this he the difference between Standards (what should that He is) The situation (what he existing), from during evaluation Evidence of the condition existing Opposite Standards. usually what He is there Many from Evidence that Contribute Formulating the results.
	Column 5	in condition presence non commitment, what he the reason? maybe that He is ignorance by the rules with it or Bypass decision Management. Needs observer in This is amazing the condition to to set the reason Main For not Commitment Instead Written by what he clears. What he impacts or a result non-Commitment or deviation While Related At a loss or any harm last You are exposed for him Which side?
	Column 6	Based on to Results, what if She was Risks under Censorship not Compatible with Standards concerned
	Column 7	Suggestions To process problems Home or the reason Basic Specific in column5.He should that come Recommendations from the reason Basic The determinant. May no He is their Recommendations For all Results. When suggestion recommendation what, from good that Discuss it with the authority controlled, This It will enhance the capabilities situation Recommendation.
	Documentation: It will include all columns Data from observer. It should proof all This is amazing Data With evidence enough and appropriate with Document it on Obligatory grammar. And it must documentation all resolution Takes it observer.as He should documentation the job The Achievement Arriving to Conclusion, analysis Data or Information that It was completed Collect it To formulate The report In a way appropriate	

Evidence the introduction from Prepared References	He should Completion Data table that indicates to names People who They did Fully Data Template And those who Check it out in the end. usually what Believe leader team attic as part from Censorship Quality. And it must on the reviewer, that usually what He is supervisor Censorship, Authentication on This is amazing Document To confirm on Review it.
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ASource: Guide to the Implementation of the International Standards of Supreme Audit Institutions on Compliance Audit, issued by the INTOSAI Development Initiative

Appendix No. (2)

Documentation Direct Report Elements of Reasonable Assurance

the address. The title of the report should briefly include the subject of the audit in a way that can be understood. By the reader in a clear way.

Determine the applicable control standards and level of assurance.

In the audit reports issued by the Supreme Audit Institution, the Authority specifies the criteria. Followed during the conduct of control tasks. As it indicates also to the control standards that he followed while conducting the specific control task mentioned in the report. Through One of the following two options:

Option 1: Develop a formal national standard consistent with the fundamental principles of public sector auditing ((ISSAI 100, as well as Principles of Compliance Control (ISSAI 400).

Option 2: Direct reference to the International Standards of Supreme Audit Institutions (ISSAIs) on compliance auditing (ISSAI 400).

In the first option, the Supreme Audit Institution's oversight standards are based on principles. Basic to or consistent with public sector oversight, the following may be noted in the audit mission reports:

We have conducted this audit in accordance with {National standards in (Sm)Supreme Audit Institution}, and it is based on {or Compatible with} Basic Control Principles (ISSAI 100-200-300-400)

In the second option, SAIs in some jurisdictions may choose to follow compliance audit guidelines as the standards. Official for its work. In this case, the sign can be placed as follows:

We are doing the job. (Tasks)Supervision {Compliance Control} In line with international standards for supreme audit institutions {Regarding Compliance control}.

Executive Summary (According to(need). The executive summary explains the audit questions, how the audit was conducted, the main findings, conclusions, and recommendations. It lists the information Also in summary form, it includes only the most important information in the report. The executive summary usually ranges from two to three pages. Pages, and it may be less than that depending on each control task.

The executive summary includes a paragraph about the background of the entity that led to the main topic and its significance. It also includes the objective. Questions Oversight and oversight approach, describing the main audit findings and conclusions in a summary format that is easy to read and understand. From this standpoint The reader gets an overview of the most important issues in the topic. The executive summary also includes recommendations. Basic For the oversight mission and the statement confirming the validity of providing the audited entity with the opportunity to comment on the report.

Description of the subject matter and scope. The subject of control means what has been measured or evaluated, whether information, condition or activity, according to Specific criteria. This should be clearly described in the audit report. The introduction to the report defines the scope of the audit in the form of a clear statement about the focus, scope, and limits of the audit mission in terms of the audit subject's compliance with the standards. It also includes the time period covered by the mission. Supervisory.

Specific criteria. The criteria against which the audit subject is evaluated must be specified in the auditor's report. It is important to specify Standards In the report, so that users of the report can understand the basis of the work of public sector auditors and the conclusions they reached. It may the criterias are in the report itself or the report may refer to the criteria if they are contained in a management confirmation form or if they are available from a source. Always accessible and reliable.

In cases where the criteria applied in the audit cannot be consistently determined or must be derived from continuous sources, the Standards Clearly in the section of the auditor's report. In cases where standards conflict, this conflict must be made clear, as well as provided. Recommendations appropriately.

In light of the surrounding circumstances, it may be appropriate to disclose the following:

- The source of the applicable standards, specifying whether they fall within the law or regulations or have been issued by expert groups. accredited or recognized and committed to a transparent and enforceable process - i.e. determining whether existing standards apply in the context of a subject basic control (If not, a description of the reason in this case is appropriate.).

- Measurement or evaluation methods used when the criteria applied allow for a choice between several methods.
- Any significant interpretations made by applying the criteria under the circumstances of the engagement.

Explain the methods used and provide rationale for their use. The auditor should issue a clear statement of the procedures followed. To gather evidence when answering control questions. This will enable the user to read and follow the report and gain confidence in the validity of the conclusions. The auditor's findings. Details of the work completed should include the following aspects:

- The entity's specific circumstances (such as the changing nature of the entity's activities compared to its peers in the sector).
- Specific control conditions that affect the nature and extent of the procedures performed.
- The level of detail about target user expectations that should be included in the report, depending on market practices or Applicable laws or regulations.

It is essential to write the methodological abstract in an objective manner, allowing the target users to understand the work done as the cornerstone for formulating the observer's conclusion. However, the conclusion should not be so brief that it is difficult to understand the work accomplished by the observer. Especially in relation to how to reach a conclusion or form an opinion.

Results. The results section includes the observer's description of the evidence collected compared to the criteria. The results are written in a logical manner. According to specified criteria in a way that helps the reader follow the logical flow of a particular argument. When including large amounts of data to support the results of audit assignments, this data may be included in appendices.

Formulating the conclusion (Conclusions) Or opinion based on answers to specific oversight questions. The auditor's report includes the subject of: Compliance audit is a conclusion or opinion based on the audit work performed. The conclusion or opinion is formulated in the form of answers to audit questions. Specific. The nature of the formulation may be affected by the powers of the Supreme Audit Institution and the legal framework under which the audit mission was carried out.

Responses received from the audited entity (According to(need)). The responses received from the audited entity are included through the preparation of Reports on the views of the responsible party are part of the principle of inconsistency. The principle of inconsistency is a unique and critical feature of oversight. Public sector: Linking the presentation of weaknesses or critical findings in a way that encourages correction. This includes agreeing on the facts with the audited entity helps ensure that it is complete, accurate, and presented fairly. It also includes, as appropriate, the inclusion of the audited entity's responses to the topics raised, whether verbatim or in summary.

Recommendations (According to(need)). The auditor's report should include, as appropriate: necessity, recommendations designed to achieve improvements. While these recommendations may be constructive for the audited entity, they should avoid being so verbose as to undermine the objectivity of the public sector auditor. During future audit assignments, if the auditor makes a specific recommendation and the responsible party does not implement that particular recommendation. But he is considering another option, as the auditor in subsequent audit assignments may be inclined to judge this matter as a breach of compliance. In such cases, In these cases, the key point is to determine whether the recommendations allow the entity to use the mechanism it deems appropriate in light of the circumstances surrounding whether or not to achieve the commitment.

Source: Guide to the Implementation of the International Standards of Supreme Audit Institutions on Compliance Audit, issued by the INTOSAI Development Initiative

Appendix No. (3)

Documentation of Direct Report Elements on Limited Assurance

Summary of the report. Since the work performed in a limited assurance engagement is less than that in a reasonable assurance engagement and is inherently limited, it is important to provide a summary of the work performed to help the intended users understand the amount of work done and the auditor's conclusion. The summary of the limited assurance engagement report should be more detailed and should identify deficiencies in the nature, timing, and extent of the controls, so that readers gain a better appreciation of the conclusion reached. It may also be important to mention in the summary of the work performed any procedures that were not carried out but would normally be expected in a reasonable assurance engagement. Since the risk assessment carried out in a reasonable assurance engagement goes beyond the assessment that occurs in a limited assurance engagement, identifying all procedures may not be possible. **Conclusions/Opinions.** The formulation of the opinion or conclusion should reflect the validity of the higher supervisory entity. The auditor at this time may use terms such as 'legal and usual' or 'usual' or 'done to serve the objectives of Parliament.' **Conclusion/Opinion not modified.** In a limited assurance engagement, the opinion is not. The modified opinion "Based on the work performed and detailed in this report, we have not come to our attention anything that would lead us to believe that the subject of control is not in compliance with all material aspects [of the applicable standards]." The modified conclusion/opinion. Among the examples of the modified opinion: "According to the work performed and detailed in this report except for [description of the exception], we have not come to our attention anything that would lead us to believe that the subject of control is not in compliance with all aspects of materiality [of the applicable standards]." The formulation of other types of control conclusions, such as the inverse conclusion and disclaimer of conclusion, is quite similar to both the conclusions related to limited assurance engagement and reasonable assurance engagement. Source: Guide to Applying International Standards for Supreme Audit Institutions on Compliance Auditing issued by the INTOSAI Development Initiative (IDI).

Appendix No. (4)

Documentation of Report Elements Regarding Reasonable

Assurance Links The audit report for reasonable assurance links includes the following elements.

Title. The title of the report should briefly include the subject of the audit that makes it easy for the reader to understand. **Addressee.** The addressee identifies the party or parties to whom the audit report is addressed. The audit report is usually directed to the responsible party, but sometimes there may be other targeted users. Targeted users are the individuals to whom the auditor directs the compliance audit report. Targeted users may include legislative or regulatory bodies mandated by the government, the attorney general, or the public.

Describe the information related to the subject and the main topic when necessary.

The subject of monitoring refers to what has been measured or evaluated, whether it be information, a situation, or an activity according to specific standards. This should be clearly described in the monitoring report.

The scope of the monitoring task and its limits, including the time period covered. The section designated for the introduction of the report outlines the scope of the monitoring in a clear statement regarding the focal point of the monitoring task, its extent, and its limits in terms of the subject's compliance with the standards. It also includes the duration covered by the monitoring task.

Responsibilities **The party responsible and the observer.** He works to set Responsibilities Relativity on information Users Target audience that The party The person in charge is responsible for the basic topic, and that responsible on Measurement or Evaluator He endures responsible measurement topic Censorship or His evaluation according to applicable standards With it, and that role observer It is represented in clarification independently About what It was completed Reach To him from opinion/conclusion around information topic Censorship, and it is possible expression on This is amazing Responsibilities on face the next:

The responsibility of the responsible party

according to {Terms The agreement with the institution XYZon the datexx.xx 20XX}, Then administration The Authority Governmental

ABCbear responsible {numbers Full accounts Compatible with Items The agreement.

Observer's responsibility

lies Our responsibility in expression independently on Conclusion around Accounts Projects Based on to Our mission Supervision. And We have accomplished the job According to (principles Censorship Basic and instructions Censorship Commitment In the organization INTOSAI.It requires This is amazing Principles From us Compliance For requirements Ethics and Planning For the mission Supervision And its implementation To reach to to be sure reasonable whether that He was {Use funds Projects Compatible from all Important aspects with Items agreement Financing on the date xx.xx . 20XXor no}.

It includes: Mission Supervision take procedures to get on Evidence enough and appropriate to support Our conclusion. It depends on procedures taken on Professional Appreciation For the observer, including in that evaluation Risks Cases non-Commitment The essence whether He was that because of scam or no. We believe that Control procedures that We take it she procedures that We see it suitable in shadow circumstances surrounding. We believe like that that Evidence Supervision the Complex Sufficient and appropriate to provide basis to our conclusion.

Control standards. The criteria for evaluating the subject of control must be specified in the auditor's report. It is crucial to specify the criteria in the report so that users of the report can understand the basis of the work of public sector auditors and the conclusions they reached. The standards may be included in the report itself or the report may refer to the standards if they are included in a confirmation from management or if they are available from a reliable and easily accessible source.

Determining control criteria and the level of assurance. When the control criteria established by the supreme audit institution align with or are based on the main principles of control set by INTOSAI, they can be referenced in audit reports as follows:

We conducted this oversight mission in accordance with the {standards}, which are based on the {or comply with} the fundamental principles of oversight (International Standards for

Supreme Audit Institutions 400 - 300 - 200 - 100) for international standards in supreme auditing institutions.

Supreme audit institutions in some jurisdictions may choose to adhere to compliance oversight guidelines as their official standards of operation. In this case, the standards may be referred to as follows:

We conduct the oversight task(s) in accordance with international standards for supreme supervisory bodies, regarding compliance oversight.

The summary of the completed work and the methods used.

Users benefit from the summary of the completed work and the methods used to understand the auditor's conclusions. In many oversight tasks, it is likely that infinite changes will be made to the procedures in theory. In practice, it is difficult to communicate these changes clearly and without ambiguity. Therefore, the summary of the completed work should provide a brief clarification to the external reader about how the oversight task was executed.

Factors to consider when determining the level of detail that should be provided in the summary of work completed include the following:- The specific circumstances of the entity (such as the changing nature of the entity's activities compared to its counterparts in the sector).- The specific oversight conditions that affect the nature and scope of the completed procedures.- The level of detail regarding the expectations of the targeted users that should be included in the report, based on market practices or applicable laws and regulations. The summary should be written in an objective manner, allowing the targeted users to understand the work carried out as the foundation for formulating the auditor's conclusion. However, it should be emphasized that the summary should not be brief to the extent that it becomes difficult to understand the auditors' work, especially the means that led them to the conclusion or opinion.

Opinion/Summary.

Regarding assurance engagements, the level of assurance will be conveyed through the appropriate use of the unified regulatory opinions. In relation to combined regulatory assignments, the auditor assesses any criterion used as a reference. When integrating compliance control with financial control, the conclusion/opinion regarding compliance aspects

should be clearly separated from the opinion related to the financial statements.

Responses from the audited entity (as appropriate). Including responses from the audited entity through the preparation of reports on the views of officials in the responsible party is part of the principle of contradiction. The principle of contradiction is a unique and highly important feature in public sector auditing; it connects the presentation of weaknesses or critical findings in a way that encourages correction. It involves agreeing on the facts with the audited entity to help ensure that they are complete, accurate, and presented in an integrity-driven manner. It may also include, as appropriate, the inclusion of responses from the audited entity regarding the issues raised either verbatim or in summary.

Date of report issuance.

The date of the report issued regarding compliance monitoring and its signature must be specified. The auditor should ensure that the report date is not set before obtaining sufficient and appropriate evidence to support the opinion/conclusion.

Signature. The compliance monitoring report should be signed by a person with the appropriate authority to sign, i.e., the head of the supreme auditing authority or the person to whom this authority has been delegated.

Source: Guide to the Implementation of the International Standards of Supreme Audit Institutions on Compliance Audit issued by the INTOSAI Development Initiative (IDI)

Appendix No. (5)

Documenting the Auditor's Opinion on Reasonable Assurance

Engagements in this context, the auditor's opinion is expressed positively, reflecting whether the subject of the audit is compliant in all significant respects, and whether the information regarding the subject of the audit presents a true and fair view in accordance with applicable standards. Unmodified opinion in the case where no significant non-compliance issues are found in the reasonable assurance engagement, the auditor should express an unmodified opinion indicating that the information concerning the subject of the audit has been prepared in all significant respects in accordance with applicable standards. **Example of an unmodified opinion:** In this example, the subject of the compliance audit relates to the National Tax Office, and the audit did not reveal any instances of non-compliance with the applicable law.[Appropriate introductory sections of the report]{We have monitored the compliance of the National Tax Office with Section 223A of the Value Added Tax Law on xx.xx 20XX}Unmodified Opinion based on the conducted audit work, we have concluded that the National Tax Office is compliant in all significant respects with Section 223A of the Value Added Tax Law.

Amended Opinion: Public sector auditors amend their opinion appropriately in cases where significant instances of non-compliance arise. Depending on the extent of non-compliance, the following may result:

- A qualified opinion (if instances of non-compliance are significant but not pervasive) based on the audit work performed, we found that, except for {exceptions noted}, the information related to the subject of the audit complies with the standards applicable in all significant aspects.
- An adverse opinion (if instances of non-compliance are both significant and pervasive) in our opinion, {subject of the audit} does not comply in all significant aspects (with the applicable standards) and instances of non-compliance are widespread. Limited scope considering the extent of the restriction, the following may result: A qualified opinion (if the auditor is unable to obtain sufficient and appropriate audit evidence and the potential effects are significant but not pervasive) in our opinion, except for {exceptions noted}, the auditor was unable to obtain sufficient and appropriate audit evidence, and the potential effects were significant but not pervasive, or a disclaimer of opinion (if the auditor is unable to obtain sufficient and appropriate audit evidence regarding compliance with the

references, and the potential effects are significant and the dissemination, we do not express our opinion on this matter. Since we were unable to obtain suitable and sufficient evidence to establish a basis for expressing an opinion, an example of a qualified opinion on compliance monitoring: the compliance monitoring topic in this example is related to the national tax office, and the monitoring task revealed a case of non-compliance, which led to the imposition of fees and additional fines on the entity under audit. The deviation in compliance was not material enough to lead to a contrary conclusion. {Appropriate introductory sections of the report}

..... {We monitored the extent of the national tax office's compliance with section 223A of the Value Added Tax Act on xx.xx 20XX } The fundamentals of the qualified opinion require Value Added Tax legislation for the national tax office to send quarterly reports to Parliament. The reports were not prepared for the period from April 1, 20.. to June 30, 20..

The qualified opinion based on the completed monitoring mission found that, except for the case of non-compliance noted in the fundamentals of the qualified opinion, the local tax office complies in all material respects with section 223A of the Value Added Tax Act. The adverse opinion is an example of a dissenting opinion.

The topic of oversight in this example is related to the local tax office, and the audit revealed that the tax office did not implement the procedures stipulated in the law regarding taxpayers who are in arrears... [appropriate preliminary sections of the report... {We have monitored the compliance of the national tax office with Section 223A of the VAT Law dated xx.xx 20XX} Fundamentals of the dissenting opinion stipulate that VAT legislation requires that withholdings and discounts be imposed in cases of non-compliance concerning taxpayers who have arrears of ten thousand dollars.

Despite the presence of overdue cases among taxpayers in this category, these procedures were not implemented as required by law.

The dissenting opinion, based on the work of the completed audit mission, found that due to the significance of the issue noted in the Fundamentals of the dissenting opinion above, the local tax office fails to comply in all significant aspects with Section 223A of the VAT Law. Disclaimer example of compliance oversight: A disclaimer is issued when the public sector auditor is unable to gain access.

To draw a conclusion. In this example, compliance oversight would be conducted on the extent to which the national tax office adheres to [Article](#)

223A of the Value Added Tax Law.] Appropriate preliminary sections of the report [... {We monitored the compliance of the national tax office with Article 223A of the Value Added Tax Law on xx.xx 20XX}

Disclaimer basics; the local tax office did not maintain taxpayers' individual files appropriately, including information related to Value Added Tax assessments. There were incomplete files, containing assessments for only 20 registered taxpayers out of 200. There were no other reliable procedures we could implement to determine whether the local tax office complies with the Value Added Tax Law regarding taxpayer assessments. Disclaimer Based on the oversight mission carried out and due to the importance of the issue we noted in the disclaimer basics paragraph above, we were unable to reach an opinion or formulation regarding the extent of the local tax office's compliance with what is stated in the Value Added Tax Law. Attention-grabbing paragraphs or other notes in some cases, may be there is a need to elaborate on specific topics that do not affect our opinion regarding compliance, but it is necessary to mention them as they have entered the observer's area of interest. In these cases, the observer emphasizes these topics or the paragraphs of other topics. The results that may not be significant or that we need to include in the observer's report can also be communicated to management during the inspection task. Reporting these results may assist the audited entity in addressing cases of non-compliance and avoiding similar occurrences in the future.

The decision to include attention-grabbing paragraphs or other highlighted paragraphs depends on whether they were presented or disclosed in the subject information. Attention-grabbing paragraphs. If the observer believes that the attention of the targeted users should be drawn to a subject presented or disclosed in the subject-related information, in the auditor's judgment, it is important and fundamental to the understanding of the targeted users regarding the subject information, and the observer must add an attention-grabbing paragraph. Other observation paragraphs. If the observer believes that another subject not included or appearing in the information about the audit topic should be communicated.

In other words, this topic, according to the observer's assessment, pertains to the extent of understanding by the targeted users of the oversight task, the responsibilities of the observer, and the oversight report. Therefore, the observer should add another observation paragraph. In the case of the other topic, the observer should appropriately indicate in a paragraph at the beginning of the report that the observer's opinion has not changed regarding the topic. In the case of a paragraph noting attention, this paragraph should only refer to the information presented or reflected in the

information about the oversight topic. The above model illustrates an example of attention paragraphs or other opinion note paragraphs based on the conducted oversight work.

We reached the conclusion that the National Tax Office complies with all significant aspects of Section 223A of the Value Added Tax Law. Attention is drawn to the note xx in the accounts which contains details regarding the total administrative expenses amounting to xxxx.xx dollars concerning the organization's reports on compliance with the terms of the funding agreement. Our opinion is not qualified regarding this topic. Other topics include drawing attention to the fact that this report has been prepared for the use of the donor organization XYZ, and for this reason it may...

It may not be suitable for serving another objective.

Source: Guidance for the Application of International Standards for Supreme Audit Institutions regarding Compliance Auditing issued by the INTOSAI Development Initiative (IDI)

Appendix No. (6)

Documentation of Assurance Engagements for Limited Assurance.
Assurance Engagements - Limited Assurance.

In relation to limited assurance, the auditor states that based on the procedures performed, nothing has come to the auditor's attention that causes them to believe that the subject of the audit is not in compliance with applicable standards in all material respects. The procedures may be limited compared to the elements necessary to reach reasonable assurance. The limited assurance report conveys the limited nature of the assurance provided. The unmodified opinion in the limited assurance engagement states: Based on the work performed and described in this report, nothing has come to our attention that leads us to believe that the subject of the audit is not in compliance in all material respects with the applicable standards. The modified opinion in the limited assurance engagement states: Based on the work carried out and described in this report, except for {state the exception}, nothing has come to our attention that leads us to believe that the subject of the audit is not in compliance in all respects and the important task {with the applicable standards}. The auditor's conclusion related to assurance is presented in the same manner

as in the direct reporting task. The conclusions appropriately outlined for reasonable assurance include the following:

- When viewed based on the underlying subject and applicable standards, 'In our opinion, the entity is compliant in all material respects with the standards.'
- When viewed in terms of the subject information and applicable standards, 'In our opinion, the expectation regarding the entity's activities has been prepared appropriately in all material respects according to the standards.' Source: Guide for the Application of International Standards by Supreme Audit Institutions on Compliance Auditing issued by the INTOSAI Development Initiative (IDI).