awp 7.2

**Analytical Procedures carried out at Completion and Review stage**

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| Name of the Entity | XYZ |
| Period of audit | 01.01.20XX to 31.12.20XX |

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| --- | --- | --- | --- | --- |
| Prepared by | | Signature | Reviewed & approved by | Signature |
| Name: |  |  |  |  |
| Designation: |  |  |
| Date: |  |  |

**The engagement team may use the line items reported in the financial statements of the entity.**

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| **A** | **B** | **C** | **D** | **E = B +/- C** | **F** | **G = E - F** | **H** |
| **Classes of transactions/ account balances** | **Figures in the draft financial statements submitted to the auditor by management** | **Proposed audit adjustments** | **WP Ref.** | **Expected ending balances** | **Figures in the final financial statements produced to the auditors upon completion of audit** | **Difference/ Variance** | **Remarks** |
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**Guiding questions:**

* Are there significant variances/differences noted between balances in the final financial statements and the expected balances based on the result of the audit as reflected in the lead schedule/individual working papers?
* Does the difference, if any, suggest areas which are not previously covered in the audit (i.e., other than those proposed adjustments not accepted by the management)?
* Do these areas require additional audit work?
* Does the total amount of differences match with the uncorrected misstatements in AWP 7.1?

**Overall conclusion on analytical procedures performed at completion and review stage of the audit:**

**Completing the working paper on analytical procedures performed at the completion and review stage**

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| Overall objective of completing the template | The overall objective of this audit working paper is to record the analytical procedures performed at the completion and review stage of the audit. |
| Applicable ISSAI | ISSAI 2500, ISSAI 2520 |
| Guidance | In auditing the financial statements, the auditor at the time of planning the audit obtains draft financial statements from the entity, and the audit procedures are performed accordingly on this draft. Management is expected to make corrections in the underlying books of accounts and accordingly in the financial statements, based on any errors and omissions pointed out by the auditors. Management should then submit the final version of financial statement to the auditors, normally at the completion and review stage of the audit, after making corrections to errors and omissions. The auditor performs analytical procedures on this final version of the financial statements. |
|  | |  |  | | --- | --- | | Column A | In this column, record the classes of transactions and account balances from the financial statements. | | Column B | Record in this column the figures reflected in the draft financial statements, according to class of transaction and account balance. | | Column C | In this column, the auditor can record the errors observed in the draft financial statements upon performing the planned audit procedures. | | Column D | Indicate the working paper reference showing the result of the audit procedures performed | | Column E | Recalculate the expected ending balances by reflecting the proposed audit adjustments on the draft financial statements | | Column F | Transfer figures in the final financial statements produced to the audit team by management. | | Column G | Compare the figures in the final financial statements with the expected balances in the financial statements, and record any differences in this column. | | Column H | In this column, the auditor can record any notes about the identified differences (e.g., the difference may pertain to audit adjustments which are not accepted by the management) | | Guiding Questions | The guiding questions will assist the auditor in developing the overall conclusion. In making judgment about the significance of variances, the calculated performance materiality may be used. Variances may be noted when some of the proposed audit adjustments are rejected by the management. As a result, the total variances should correspond to the uncorrected misstatements in AWP 7.1. When variances noted do not arise from the rejection of proposed adjustments, the auditor should investigate the reasons as these may arise from other management adjustments not previously communicated to the auditor. Material inconsistencies may require additional audit work, or revision of the risk assessment in the planning stage. | |
| Overall conclusion | The auditor needs to provide an overall conclusion on the analytical procedures performed at the completion of audit. The objective of the analytical procedures near the end of the audit is to assist the auditor when forming an overall conclusion as to whether the financial statements are consistent with the auditor’s understanding of the entity. This may also help the auditor identify a previously unrecognized risk of material misstatement. This should be in a narrative form, highlighting the work performed by the auditor and the conclusion arrived at upon completion of the work. |
| Recording the evidence of preparer and reviewer | The Table indicating the name of the person who prepared and completed this working paper and the reviewer needs to be completed at the end. The preparer could be a team leader or one of the team members, who could then sign off accordingly.  The reviewer, usually the audit engagement supervisor, should sign off this document to ensure that the work done by the team has been reviewed accordingly. |