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| **Client:** | **${client}** | |
| **Period end date:** | **${start} - ${end}** | |
| **EGA title:** | \*Accounting Estimates | |
| **Ref. no.:** |  | |
| **Prepared by:** | ${user} | **Date:** |
| **Approved by Manager:** | ${manager} | **Date:** |
| **Approved by Partner:** | ${partner} | **Date:** |

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| **Procedures performed** | **Links** | **Ref. no.** |
| 1. As part of the risk assessment procedures and related activities performed during the understanding phase, the engagement team performed risk assessment procedures and related activities to obtain/update an understanding of the following matters relating to the entity’s accounting estimates in order to provide an appropriate basis for the identification and assessment of risks of material misstatement at the financial statement and assertion levels:    1. The entity and its environment and the applicable financial reporting framework:       1. The entity’s transactions and other events and conditions that may give rise to the need for, or changes in, accounting estimates to be recognized or disclosed in the financial statements.       2. The requirements of the applicable financial reporting framework related to accounting estimates.       3. Regulatory factors.       4. The nature of the accounting estimates and related disclosures that the engagement team expects to be included in the entity’s financial statements, based on the engagement team’s understanding of the above matters.    2. The entity’s system of internal control: 2. The nature and extent of oversight and governance that the entity has in place over management’s financial reporting process relevant to accounting estimates. 3. Management’s application of specialized skills or knowledge relating to accounting estimates, including the use of management’s experts. 4. Entity’s risk assessment process relating to accounting estimates. 5. The entity’s information system as it relates to accounting estimates, including:    * + 1. The classes of transactions, events and conditions that are significant to the financial statements and that give rise to the need for, or changes in, accounting estimates and related disclosures; and        2. How management identifies the relevant methods, assumptions or sources of data, and the need for changes in them, that are appropriate in the context of the applicable financial reporting framework including how the management selects them.        3. How management understands the degree of estimation uncertainty, including through considering the range of possible measurement outcomes; and        4. How management addresses the estimation uncertainty, including selecting a point estimate and related disclosures for inclusion in the financial statements. 6. Control activities relevant to the audit over management’s process for making accounting estimates. 7. How management reviews the outcome(s) of previous accounting estimates and responds to the results of that review. | [**Understanding Accounting Estimates.docx**](../../../../../G:/My%20Drive/MZCO/Audit%20Manual/1.%20Planning/12%20Accounting%20Estimates/Understanding%20Accounting%20Estimates.docx) |  |
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| 1. The engagement team reviewed the outcome of previous accounting estimates, or, where applicable, their subsequent re-estimation to assist in identifying and assessing the risks of material misstatement in the current period. The engagement team took into account the characteristics of the accounting estimates in determining the nature and extent of that review. The review was not intended to call into question judgments about previous period accounting estimates that were appropriate based on the information available at the time they were made. | [**Understanding Accounting Estimates.docx**](../../../../../G:/My%20Drive/MZCO/Audit%20Manual/1.%20Planning/12%20Accounting%20Estimates/Understanding%20Accounting%20Estimates.docx) |  |
| 1. Where applicable, with respect to accounting estimates, the engagement team determined whether specialized skills or knowledge were required to perform the risk assessment procedures, to identify and assess the risks of material misstatement, to design and perform audit procedures to respond to those risks, or to evaluate the audit evidence obtained. | Not applicable as no specialists were involved.  OR  If applicable, for auditor’s expert, attach respective documentation templates. |  |
| 1. In identifying and assessing the risks of material misstatement relating to an accounting estimate and related disclosures at the assertion level, the engagement team separately assessed inherent risk and control risk, taking the following into account in identifying the risks of material misstatement and in assessing inherent risk:    1. The degree to which the accounting estimate is subject to estimation uncertainty; and    2. The degree to which the following are affected by complexity, subjectivity, or other inherent risk factors:       1. The selection and application of the method, assumptions and data in making the accounting estimate; or       2. The selection of management’s point estimate and related disclosures for inclusion in the financial statements. | [**Risk Assessment Document.docx**](../../../../../G:/My%20Drive/MZCO/Audit%20Manual/1.%20Planning/9%20Risk%20Assessment/Risk%20Assessment%20Document.docx) |  |
| 1. The engagement team determined whether any of the risks of material misstatement identified and assessed were a significant risk and accordingly, to the extent not already done so, the engagement team obtained an understanding of the entity’s controls, including control activities, relevant to that risk. | [**Risk Assessment Document.docx**](../../../../../G:/My%20Drive/MZCO/Audit%20Manual/1.%20Planning/9%20Risk%20Assessment/Risk%20Assessment%20Document.docx) |  |
| 1. The engagement team documented the following:    1. Key elements of understanding of the entity and its environment, and the applicable financial reporting framework as well as the entity’s system of internal control related to the entity’s accounting estimates; and    2. Identification and assessment of risks of material misstatement relating to accounting estimates. | [**Understanding Accounting Estimates.docx**](../../../../../G:/My%20Drive/MZCO/Audit%20Manual/1.%20Planning/12%20Accounting%20Estimates/Understanding%20Accounting%20Estimates.docx)  [**Risk Assessment Document.docx**](../../../../../G:/My%20Drive/MZCO/Audit%20Manual/1.%20Planning/9%20Risk%20Assessment/Risk%20Assessment%20Document.docx) |  |