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

# **Guidance (click to expand):**

This template is designed to serve as a documentation template for engagement team’s conclusion on preliminary assessments in respect of risk of material misstatements related to fraud; laws and regulations; accounting estimates; related parties and going concern.

Refer to the following ISAs for detailed guidance:

* ISA 240 The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements
* ISA 250 (Revised) Consideration of Laws and Regulations in an Audit of Financial Statements
* ISA 540 (Revised) Auditing Accounting Estimates and Related Disclosures
* ISA 550 Related Parties
* ISA 570 (Revised) Going Concern

# **Concluding on Preliminary Assessments**

Fraud

Based on the audit evidence obtained throughout the audit, is the fraud risk factor checklist and risk assessment document still appropriate?

Yes

No (specify changes and update accordingly)

Has sufficient appropriate audit evidence regarding assessed risks of material misstatement due to fraud been obtained?

Yes

No

Document findings/conclusion:

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| --- |
| There has been no indication of fraud and no fraud has been identified. |

Laws and Regulations

Based on the audit evidence obtained throughout the audit, is the understanding of regulatory factors and risk assessment document still appropriate?

Yes

No (specify changes and update accordingly)

Has sufficient appropriate audit evidence regarding compliance with the provisions of those laws and regulations generally recognized to have a direct effect on the determination of material amounts and disclosures in the financial statements been obtained and have procedures to identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements been performed?

Yes

No

Document findings/conclusion:

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| --- |
| There has been no indication of non-compliance with laws and regulations and no non-compliance has been identified. |

Accounting Estimates

Based on the audit evidence obtained throughout the audit, is the understanding of accounting estimates and risk assessment document still appropriate?

Yes

No (specify changes and update accordingly)

Has sufficient appropriate audit evidence about the assessed risks of material misstatement associated with accounting estimates been obtained?

Yes

No

Document findings/conclusion:

|  |
| --- |
| Accounting estimates and related disclosures are reasonable in the context of the applicable financial reporting framework and no misstatements and management bias in relation to accounting estimates have been identified; and the financial statements with respect to accounting estimates achieve fair presentation/are not misleading. |

Related Parties

Based on the audit evidence obtained throughout the audit, is the list of related parties and risk assessment document still appropriate?

Yes

No (specify changes and update accordingly)

Has sufficient appropriate audit evidence about the assessed risks of material misstatement associated with related party relationships and transactions been obtained?

Yes

No

Document findings/conclusion:

|  |
| --- |
| All related party relationships and transactions have been identified and appropriately accounted for and disclosed in accordance with the applicable financial reporting framework; and the financial statements with respect to related parties achieve fair presentation/are not misleading. |

Going Concern

Based on the audit evidence obtained throughout the audit, is the going concern assessment and risk assessment document still appropriate?

Yes

No (specify changes and update accordingly)

Have events or conditions been identified that may cast significant doubt on the entity’s ability to continue as a going concern?

Yes

No

If yes, then document the audit procedures applied to determine whether or not a material uncertainty exists, including consideration of mitigating factors:

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| --- |
|  |

Is the management’s use of the going concern basis of accounting in the preparation of the financial statements appropriate?

Yes

No

Does a material uncertainty exist related to events or conditions that, individually or collectively, may cast significant doubt on the entity’s ability to continue as a going concern?

Not applicable

Yes

No

Has adequate disclosure of a material uncertainty been made in the financial statements?

Not applicable

Yes

No

Is management unwilling to make or extend its assessment when requested to do so?

Not applicable

Yes

No

Document implications for the audit report, if any:

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| --- |
|  |

Has there been a significant delay in the approval of the financial statements by management or those charged with governance after the date of the financial statements?

Yes (inquire and specify as to the reasons for the delay)

No

Is the delay believed to be related to events or conditions relating to the going concern assessment?

Not applicable

Yes

No

If yes, then document additional audit procedures applied as well as the effect on the conclusion regarding the existence of a material uncertainty:

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| --- |
|  |