

# Accounting working papers answers

## Download Complete File

### Understanding Working Papers in Accounting\*\*

Working papers are essential documents in the accounting and auditing profession. They serve as a record of the procedures performed, evidence obtained, and conclusions reached during an accounting or audit engagement.

### Why Accountants Prepare Working Papers

Accountants prepare working papers for several reasons:

- **To document the audit process:** Working papers provide a comprehensive record of the audit procedures, ensuring transparency and accountability.
- **To provide evidence:** They contain supporting documentation, such as invoices, bank statements, and contracts, that support the financial statements and audit findings.
- **To facilitate communication:** Working papers facilitate communication between the audit team, management, and other stakeholders.
- **To serve as a legal record:** In case of legal disputes, working papers may be used as evidence of the audit process and findings.

### How to Prepare Working Papers

The preparation of working papers follows a structured process:

- **Plan the engagement:** Determine the scope of the audit and the procedures to be performed.

- **Gather evidence:** Collect relevant documents, interview key personnel, and observe processes.
- **Analyze and evaluate evidence:** Assess the validity and reliability of the evidence gathered.
- **Document the findings:** Record the results of the analysis and evaluation in working papers.
- **Review and finalize:** Thoroughly review the working papers to ensure accuracy, completeness, and clarity.

## **Working Papers vs. Journals**

Working papers are not the same as journals. Journals are the chronological record of transactions in an accounting system, while working papers are the documentation of the audit or accounting process.

## **Audit Working Papers**

Audit working papers are specifically prepared during an audit engagement. They are prepared by auditors and typically include the following:

- Audit plan
- Audit program
- Risk assessment
- Analytical procedures
- Testing of controls
- Substantive testing

## **Example of a Working Paper**

An example of a working paper could be a spreadsheet that summarizes the results of an analytical procedure comparing current-year revenue to prior-year revenue.

## **Content of Working Papers**

Working papers should contain the following information:

- Client name and engagement period
- Auditor's name and signature
- Description of the procedure performed
- Evidence gathered
- Analysis performed
- Conclusions and recommendations

### **Qualities of a Good Working Paper**

A good working paper is:

- Accurate and complete
- Clear and well-organized
- Properly cross-referenced
- Signed and dated

### **Working Paper Format**

There is no standard format for working papers, but they typically include sections for:

- Heading (client name, engagement period, etc.)
- Audit procedures
- Evidence
- Analysis
- Conclusions and recommendations

### **Audit Notebook vs. Working Papers**

An audit notebook is a temporary record of notes and observations made during an audit. It is not as formal as working papers and may not be used as evidence in legal proceedings.

### **Trustworthiness of Working Papers**

Working papers are generally considered trustworthy if they are prepared in accordance with professional standards. However, they are subject to human error and may contain inaccuracies or bias.

### **Citation of Working Papers**

Working papers can be cited in academic research and other publications. The citation format follows the style guidelines of the specific publication.

### **Submission to Journals**

Working papers can be submitted to academic journals for peer review and potential publication. However, they are not typically considered finished research articles.

### **Preparation of Working Papers**

To prepare a working paper, auditors should:

- Gather evidence and document the procedures performed.
- Analyze and evaluate the evidence gathered.
- Draft the working paper, including a description of the procedure, findings, and conclusions.
- Review and finalize the working paper to ensure accuracy and completeness.

### **Sharing of Working Papers**

Auditors may share working papers with management and other stakeholders as part of the audit process. However, the ownership of the working papers remains with the audit firm.

### **Ownership of Audit Working Papers**

Audit working papers are owned by the audit firm that prepared them. However, the client has the right to access the working papers for their own use.

### **Working Papers in Bookkeeping**

Working papers are also used in bookkeeping to document the accounting process. They typically include trial balances, adjusting entries, and closing entries.

### **Report vs. Article**

A working paper is not a formal report or article. It is a working document that is used to support the audit or accounting process.

### **Preprint vs. Working Paper**

A preprint is a preliminary version of a research paper that is typically shared online before peer review. A working paper is a more informal document that is not intended for public distribution.

### **Journal Article vs. Working Paper**

A journal article is a finished research paper that has been peer-reviewed and published in an academic journal. A working paper is not peer-reviewed and may contain preliminary or incomplete research findings.

### **Functions of Working Papers**

Working papers serve three primary functions:

- Documentary: They document the audit or accounting process.
- Evidentiary: They provide supporting evidence for the financial statements and audit findings.
- Analytical: They facilitate the analysis and interpretation of the evidence gathered.

health occupations entrance exam learning express education exams complete preparation guides breaking buds how regular guys can become navy seals reimbursement and managed care igcse english listening past papers original 1990 dodge shadow owners manual ecology unit test study guide key pubjry holt social studies progress assessment support system with answer key world geography 98

audi a6 repair manual toyota car maintenance manual 2004 2007 honda 9733 trx400  
fa fga 400 service manual word biblical commentary vol 38b romans 9 16 ford f150  
owners manual 2015 communicate to influence how to inspire your audience to  
action milady standard theory workbook answers omensent rise of the shadow  
dragons the dragon lord series 2 amazing bible word searches for kids lexus repair  
manual vbs ultimate scavenger hunt kit by brentwood kids publishing 2014 scs  
senior spelling bee word list the largest word list excelsior college study guide  
manual mecanico hyundai terracan rows and rows of fences ritwik ghatak on cinema  
atypical presentations of common diseases the zen of helping spiritual principles for  
mindful and open hearted practice database management systems solutions manual  
sixth edition diploma mechanical engineering objective type questions fully illustrated  
1955 ford passenger car owners instruction operating manual user guide includes  
customline club mainline sunliner skyliner victoria wagons fairlane courier sedan  
delivery crestline country  
geometrywordproblems withsolutions dgzill solutiondennisroddy solutionmanual  
lamborghiniiservice repairworkshopmanual newholland9682 partsmanual thebig  
ofmassey tractorsalbum offavoritefarm tractorsfrom 19001970rc hibbelerdynamics  
11theditioniatrogenic effectsoforthodontic treatmentdecision makingin  
preventiondiagnosisand treatmentjournalkeperawatan transkulturalmtearly  
childhood02flashcard studysystem mteltest practicequestions examreview forthe  
massachusettsstestsfor educatorlicensurecards guideto carpark lightinghonda  
gx110parts manualapplicationsfor sinusoidalfunctionsused ifmafmpstudy guide12  
thessalonianslivingin theendtimes johnstott biblestudies introductiontolaw andlegal  
reasoninglawis uncfsuas andalevel mathsfor dummiesbycolin beveridgetoyota3s  
feenginework shopmanualfree filehow torapmetals referenceguide steelsuppliers  
metalfabrication potaintower cranemanualpoulan chainsawrepair manualmodel  
pp4620avhdnational geographickidseverything moneyawealth ofactspphotos  
andfunimpa marinestores guidedcdfourth internationalsymposium onbovineleukosis  
currenttopics inveterinarymedicine andanimal sciencelongmanenglish  
arabicdictionary ethicsinamerica studyguidelisa newton2nd edacsstudy guideorganic  
chemistryonline interfacemitsubishi electricpacif013b einstallation  
manualrudolfdolzer andchristoph schreuerprinciplesof arbitrationand  
mediationininternational businesssecond revisededition internationalarbitration  
lawlibraryelectronic devices9th editionbyfloyd manualmarketleader

---

preintermediatenew edition