

2013 INTERNATIONAL ENTITIES OVERVIEW FOR KNOWLEDGE COACH USERS

PURPOSE

This document is published for the purpose of communicating, to users of the toolset, updates and enhancements included in the current version. This document is not, and should not be used as an audit program to update the audit documentation of an engagement started in a previous version of this product

WORKPAPER UPDATES AND ROLL FORWARD NOTES

General Roll Forward Note:

You must be the current editor of all Knowledge Coach workpapers to update to the latest content, and you must be the current editor upon opening the updated workpaper for the first time to ensure you see the updated workpaper.

The 2013 edition of *Knowledge-Based Audits: International Audits* is current through International Standard on Auditing (ISA) 610 (Revised), *Using the Work of Internal Auditors*, which addresses the external auditor’s responsibilities if using the work of an internal audit function in obtaining audit evidence, and includes the following updates:

Knowledge-Based Audit Documents (KBAs)

- Instructions have been modified to:
 - Reflect the requirements of the clarified auditing standards;
 - Provide additional guidance on the KBA methodology to enhance usability; and
 - Better describe the use of each document.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
KBA-101 Overall Audit Strategy					
Delete	Deleted table regarding which of the client's records would be delivered electronically and in what format. In current environment, nearly all documentation is delivered electronically.	Table - other than procedures	N	N/A	
New	Section III, Table 2: Added “Property, Plant and Equipment” and “Other Assets” to the significant class of transactions list.	Table - other than procedures	N	N/A	Significant Class of Transaction Table is now tailored by your transaction area selection in KBA-400 Scoping and Mapping of Significant Account Balances, Classes of Transactions, and Disclosures.
KBA-102 Information for Substantive Analytical Procedures					
Delete	DELETED FROM TOOLSET		N	N/A	This workpaper will remain in your binder until you delete it. It will not be updated nor will information continue to flow out of it. You will need to add any required information from this document into the AUD-800 series of workpapers.
KBA-102 Engagement Completion Document					

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
Modify	Renumbered from KBA-103 to KBA-102; changed name from Significant Matter documents to Engagement Completion Document.	Instructions	N	N/A	
KBA-103 Evaluating and Communicating Internal Control Deficiencies					
New	Renumbered from KBA-104 to KBA-103.		N	N/A	
KBA-104 Summary and Evaluation of Misstatements and Omitted, Inaccurate, or Incomplete Disclosures					
New	Renumbered from KBA-105 to KBA-104.		N	N/A	
KBA-105 Review of Significant Accounting Estimates					
New	Renumbered from KBA-106 to KBA-105.		N	N/A	
KBA-201 Entity/Engagement Acceptance and Continuance Form					
Modify	Table Change: The single row 5 column sign-off tables throughout the workpaper have been updated to the correct table structure to enable the add rows feature.	Table Change	N	N/A	Publish this workpaper prior to update so that you can reference data you have selected to keep. Existing responses will not be maintained on update.
Modify	Changed "Client" to "Entity" in title.		N	N/A	
New	Section 1, Table 1: Added new step 3: Financial reporting framework applied in the preparation of the financial statements.	Table - other than procedures	Y	AU-C 315	Information added to this step will flow into KBA-101 Overall Audit Strategy
New	Section 1, Table 1: Added new step 4: Industry- specific reporting requirements, such as reports mandated by industry regulators.	Table - other than procedures	N	N/A	Information added to this step will flow into KBA-101 Overall Audit Strategy
New	Part 2, Section III, Step 6: Reformatted step a. and added these additional considerations: Are the preconditions for an audit present and do we understand the following: <ul style="list-style-type: none"> - The purpose for which the financial statements are prepared and whether the financial reporting framework applied in the presentation of the financial statements is a fair presentation framework; - The intended users of the financial statements; - The acceptability of the financial reporting 	Table - other than procedures	N	N/A	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	<p>framework applied in the preparation of the financial statements, including the steps taken by management to determine that it is acceptable in the circumstances;</p> <ul style="list-style-type: none"> - The agreement of management and, where appropriate, those charged with governance, including those overseeing the financial reporting process to the premise on which an audit is conducted; and - If applicable, our legal responsibilities if we plan to use the form and content of the auditor's report of another country. 				
KBA-301 Determination of Materiality, Performance Materiality, Tolerable Misstatement, and Thresholds for Trivial Amounts					
New	Workpaper has been streamlined specifically to perform the various materiality and related calculations. Narrative instruction has been moved to RES-018.	Table - other than procedures	N	N/A	
KBA-302 Understanding the Entity and Its Environment: Complex Entities					
New	New Practice Point related to reporting in other countries added to instructions.	Instructions	N	N/A	
KBA-302N Understanding the Entity and Its Environment: Non-Complex Entities					
New	Added a memo version of KBA-302 to provide an alternative workpaper for Noncomplex Entities; specific entity considerations for this workpaper are found at RES 019.		N	N/A	
Modify	Additional guidance added to the instructions to further emphasise the responsibilities of the auditor.	Instructions	Y	ISA 315	
KBA-303 Enquiries of Management and Others within the Entity about the Risks of Fraud					
Modify	Added instruction to each table on where to document findings.	Instructions	N	N/A	
New	Added to Enquiries of Others: Are you aware of any operational, regulatory, or system risks that may affect financial reporting?	Table - other than procedures	Y	ISA 315	
KBA-400 Scoping and Mapping of Significant Account Balances, Classes of Transactions, and					There are new audit areas added to AUD-100 for this title. After

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
Disclosures					update or roll forward, ensure any new applicable audit areas have been selected in AUD-100 Tailoring Question Workpaper so that they appear in the scoping table.
Modify	Flow Change: Only the audit areas selected as significant account balances but not as significant class of transactions will flow into the Reconciliation Table.	Flow Change	N	N/A	You should consider publishing a copy of this workpaper prior to update, so you can reference the reconciliation table. This information will not be kept on content update because of flow changes.
Modify	Added recommended workpapers to Table I - Scoping and Mapping.	Instructions	N	N/A	All responses that were in the mapping table of the prior version will automatically map to the new "Control Understanding/ Testing Workpaper" column of the Scoping Table.
New	New Table: Relevant Assertion table from the no obsolete AID-501 workpaper has moved to KBA-400.	Table Change	N	N/A	All responses included in the Relevant Assertions table in AID-501 will be mapped to this table. After update or roll forward, ensure any new significant audit areas flowing into this table are addressed.
Delete	Mapping Table has been removed.	Table Change	N	N/A	All responses that were in the mapping table of the prior version will automatically map to the new "Control Understanding/ Testing Workpaper" column of the Scoping Table.
Delete	"Further Understanding" column has been removed from the Risk Table	Table Change	N	N/A	You should consider publishing a copy of this workpaper prior to update, so you can reference the risk table. This information will not be kept on content update because of the removed column.
New	Added a table to document significant disclosures.	Table - other than procedures	Y	AU-C 315	
KBA-401N Understanding Entity-Level Controls: Non-Complex Entities					
New	Added a memo version of KBA-401 to provide an alternative workpaper for Noncomplex Entities; specific entity considerations for this workpaper are found at RES 008.	Table - other than procedures	N	N/A	
Modify	Modified the instructions to better reflect the standards.	Instructions	N	N/A	
KBA-402 Understanding General Controls for Information Technology					
New	Significant Class of Transaction Table is now tailored by your transaction area selection in KBA-400 Scoping and Mapping of Significant Account Balances, Classes of	Table - other than procedures	N	N/A	Publish this workpaper prior to update to confirm the tailoring from the scoping table in KBA-400 is correct.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	Transactions, and Disclosures.				
KBA-403 Understanding Activity-Level Controls: Revenue, Accounts Receivable, and Cash Receipts					
New	Created Word version; modified workflow to better facilitate documenting the processes and controls identified, including combining tables and removing individual narrative boxes.	Table - other than procedures	N	N/A	Choose to use either the word or excel versions. The excel version has not been updated for the 2012 version.
Delete	Deleted the Excel version; all example controls and what could go wrong have been moved to RES 009.		N	N/A	
KBA-404 Understanding Activity-Level Controls: Inventory					
New	Created Word version; modified workflow to better facilitate documenting the processes and controls identified, including combining tables and removing individual narrative boxes.	Table - other than procedures	N	N/A	Choose to use either the word or excel versions. The excel version has not been updated for the 2012 version.
Delete	Deleted the Excel version; all example controls and what could go wrong have been moved to RES 010.		N	N/A	
KBA-405 Understanding Activity-Level Controls: Property, Plant, and Equipment					
New	Created Word version; modified workflow to better facilitate documenting the processes and controls identified, including combining tables and removing individual narrative boxes.	Table - other than procedures	N	N/A	Choose to use either the word or excel versions. The excel version has not been updated for the 2012 version.
New	New Activity Level Controls document for Property, Plant and Equipment.		N	N/A	
Delete	Deleted the Excel version; all example controls and what could go wrong have been moved to RES 011.		N	N/A	
KBA-406 Understanding Activity-Level Controls: Other Assets					
New	Created Word version; modified workflow to better facilitate documenting the processes and controls identified, including combining tables and removing individual narrative boxes.	Table - other than procedures	N	N/A	Choose to use either the word or excel versions. The excel version has not been updated for the 2012 version.
Delete	Deleted the Excel version; all example controls and what could go wrong have been moved to RES 012.		N	N/A	
KBA-407 Understanding Activity-Level Controls: Accounts Payable and Disbursements					

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
New	Created Word version; modified workflow to better facilitate documenting the processes and controls identified, including combining tables and removing individual narrative boxes.	Table - other than procedures	N	N/A	Choose to use either the word or excel versions. The excel version has not been updated for the 2012 version.
Delete	Deleted the Excel version; all example controls and what could go wrong have been moved to RES 013.		N	N/A	
KBA-408 Understanding Activity-Level Controls: Payroll					
New	Created Word version; modified workflow to better facilitate documenting the processes and controls identified, including combining tables and removing individual narrative boxes.	Table - other than procedures	N	N/A	Choose to use either the word or excel versions. The excel version has not been updated for the 2012 version.
Delete	Deleted the Excel version; all example controls and what could go wrong have been moved to RES 014.		N	N/A	
KBA-409 Understanding Activity-Level Controls: Treasury					
New	Created Word version; modified workflow to better facilitate documenting the processes and controls identified, including combining tables and removing individual narrative boxes.	Table - other than procedures	N	N/A	Choose to use either the word or excel versions. The excel version has not been updated for the 2012 version.
Delete	Deleted the Excel version; all example controls and what could go wrong have been moved to RES 015.		N	N/A	
KBA-410 Understanding Activity-Level Controls: Taxes					
New	Created Word version; modified workflow to better facilitate documenting the processes and controls identified, including combining tables and removing individual narrative boxes.	Table - other than procedures	N	N/A	Choose to use either the word or excel versions. The excel version has not been updated for the 2012 version.
Delete	Deleted the Excel version; all example controls and what could go wrong have been moved to RES 016.		N	N/A	
KBA-411 Understanding Activity-Level Controls: Financial Reporting and Closing Process					
New	Created Word version; modified workflow to better facilitate documenting the processes and controls identified, including combining tables and removing individual narrative boxes.	Table - other than procedures	N	N/A	Choose to use either the word or excel versions. The excel version has not been updated for the 2012 version.
Delete	Deleted the Excel version; all example controls and what		N	N/A	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
	could go wrong have been moved to RES 017.				
KBA-501 Team Discussion of the Risks of Material Misstatement					
New	<p>Added the following questions for consideration during the team meeting:</p> <p>b. Ways in which management could originate and post inappropriate journal entries or other adjustments (e.g. debiting accounts payable and crediting cost of sales in order to understate liabilities and increase earnings).</p> <p>c. The kinds of unusual combinations of debits and credits that the engagement team should be looking for (e.g. debiting a liability account and crediting an equity account in order to understate liabilities and increase equity).</p> <p>d. The types of journal entries or other adjustments that could result in a material misstatement that would not likely be detected by standard audit procedures (e.g. consolidating entries and entries involving intercompany transactions).</p>	Table - other than procedures	Y	ISA 240	
KBA-502 Summary of Risk Assessments					There are new audit areas added to AUD-100 for this title. After update, ensure any new applicable audit areas have been selected in AUD-100 and addressed in KBA-400 so that they appear in KBA-502.
New	New selection option in the risk pane to identify the risk as either "Cash Receipt" or "Cash Disbursement"	Risk Pane			Address this for all cash receipt or cash disbursement risks that were added prior to International 2013
Modify	Modified guidance in the instructions to enhance the usability of the workpaper and better reflect the requirements of the standards.	Instructions	Y	ISA 330	
New	Overall inherent risk assessment will be performed in Section II, rather than AID-501.	Flow Change	N	N/A	Inherent risk assessment previously addressed in AID-501 will be mapped to Section II.
New	Added Practice Point to Section II.	Practice Points	Y	ISA 240	
KBA-503 Basis for Inherent Risk Assessment					
New	New workpaper to replace AID-501 to document the auditor's basis for inherent risk assessments.	Table - other than	N	N/A	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward and Update Content Considerations
		procedures			
KBA-902 Audit Review and Approval Checklist					
New	New tailoring question in AUD-100 for engagement quality reviewer shows/hides procedures and tables in this workpaper.	Tailoring	N	N/A	Publish this workpaper before update so that you can reference data that you have selected to keep. Review and answer the engagement quality review question in AUD-100 to determine what is applicable for this workpaper.
Modify	Table Change: The single row 5 column sign-off tables throughout the workpaper have been updated to the correct table structure to enable the add rows feature.	Table Change	N	N/A	Publish this workpaper prior to update so that you can reference data you have selected to keep. Existing responses will not be maintained on update.
Modify	Changed "other auditor/s" to "component auditor/s" throughout to follow the language in the standards	Instructions	Y	ISA 600	
KBA-903 Tax Expert Review Checklist					
Modify	Table Change: The single row 5 column sign-off tables throughout the workpaper have been updated to the correct table structure to enable the add rows feature.	Table - other than procedures	N	N/A	Publish this workpaper prior to update so that you can reference data you have selected to keep. Existing responses will not be maintained on update.
Modify	Removed "income" from "income taxes" throughout the document	Instructions	N	N/A	
KBA-904 Audit Documentation Checklist					
New	New tailoring question in AUD-100 for engagement quality reviewer shows/hides procedures and tables in this workpaper.	Tailoring	N	N/A	Publish this workpaper before update so that you can reference you can reference data you have selected to keep. Review and answer the engagement quality review question in AUD-100 to determine what is applicable for this workpaper.

Audit Programmes (AUDs)

- Where applicable, relevant assertions and audit objectives have been updated.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
AUD-100 Tailoring Question Workpaper					
New	New tailoring questions have been added.	Tailoring	N	N/A	Review and answer. All of these new tailoring questions will impact other workpapers. Be sure to add additional audit areas (AUD 814-817) when applicable.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
AUD-101 Overall Audit Programme					
Modify	Divided independence and non-audit services procedures into separate steps. Moved the following text into separate procedure: Evaluate and conclude on the auditor's compliance with ethical standards, including independence, professional standards, and the audit firm's policies. Document the conclusions reached.	Procedure steps	N	N/A	
New	Divided independence and non-audit services procedures into separate steps. Removed the following text into separate procedure: For any non-audit services, evaluate and determine whether non-audit services will impair the auditor's independence, and consider obtaining pre-approval from the audit committee or the board of directors.	Procedure steps	N	N/A	This procedure step will be tailored into the audit program, if applicable.
Modify	82. Added performance materiality to evaluation of materiality at end of audit.	Procedure steps	Y	ISA 320	
New	83. If applicable, evaluate the whether the conclusions drawn regarding the use of the work of the internal audit function remain appropriate.	Procedure steps	Y	ISA 610	
AUD-201 Audit Programme: Opening Balances and Additional Audit Procedures for an Initial Audit Engagement					Tailoring modified to reflect changes noted below.
Delete	We evaluated whether audit procedures performed in the current period provide evidence relevant to the opening balances, and performed one or both of the following:	Procedure steps	N	N/A	
New	For a new engagement where no predecessor auditor exists or a recurring engagement, we obtained evidence and assessed the reasonableness of opening balances of significant balance sheet accounts.	Procedure steps	Y	ISA 510	
AUD-601 Audit Programme: Testing and Evaluating Internal Auditors' Work					
Delete	Deleted practice point on proposed revised ISA 610- now final.	Procedure steps	Y	ISA 610	
New	Added practice point on ISA 610 (Revised)	Procedure	Y	ISA 610	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
		steps			
New	<p>1. We evaluated the work performed by internal auditors by considering the following factors:</p> <p>AID-601 Considering Reliance on the Work of Internal Auditors</p> <ol style="list-style-type: none"> a. The extent to which the internal audit function’s organisational status and relevant policies and procedures support the objectivity of the internal auditors. b. The level of competence of the internal audit function. c. Whether the internal audit function applies a systematic and disciplined approach, including quality control. <p>Practice Point: The external auditor shall not use the work of the internal audit function if the external auditor determines that:</p> <ul style="list-style-type: none"> • The function’s organisational status and relevant policies and procedures do not adequately support the objectivity of internal auditors; • The function lacks sufficient competence; or • The function does not apply a systematic and disciplined approach, including quality control. <ol style="list-style-type: none"> d. Whether the nature and scope of work was appropriate to meet our objectives and relevant to the overall audit strategy and audit plan. e. Workpapers adequately documented the work performed, including evidence of supervision and review. f. Any exceptions or unusual matters were properly resolved. 	Procedure steps	Y	ISA 610	
New	2. Our communication with those charged with governance of the planned scope and timing of the audit included how we plan to use the work of the	Procedure steps	Y	ISA 610	

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	internal audit function.				
New	3. We discussed our planned use of its work with the internal audit function.	Procedure steps	Y	ISA 610	
New	4. We tested and documented our testing of some of the work performed by internal auditors by: <ul style="list-style-type: none"> a. Examining some of the controls, transactions, or balances that the internal auditors examined, and reperforming some of the work; b. Examining similar controls, transactions, or balances not actually examined by the internal auditors; or c. Observing procedures performed by the internal auditors. d. Evaluating whether: <ul style="list-style-type: none"> (1) The work of the function: had been properly planned, performed, supervised, reviewed, and documented; (2) Audit programmes used were adequate and the evidence obtained was sufficient and appropriate to draw reasonable conclusions; and (3) Conclusions reached are appropriate in the circumstances and the reports prepared by the function are consistent with the results of the work performed. 	Procedure steps	Y	ISA 610	
New	6. We made all significant judgements in the audit engagement.	Procedure steps	Y	ISA 610	
New	7. We determined that using of the work of the internal audit function did not preclude us from being sufficiently involved in the audit.	Procedure steps	Y	ISA 610	
New	8. We documented our evaluation of the internal audit function performed above, the nature and extent of the internal audit work, used, and the basis for that decision.	Procedure steps	Y	ISA 610	
AUD-800's Audit Programmes					

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
Modify	All instructions updated in all AUD-800s	Instructions	N	N/A	
Modify	All AUD-800s: Procedures that mention cancelled cheques: Verbiage modified to include "substitute and ACH."	Procedure steps	N	N/A	
Deleted	Practice point on International Auditing Practice Statement (IAPS) 1012, <i>Auditing Derivative Financial Instruments</i> .		N		
Modify	All AUD-800s: Presentation and Disclosure added to the "Understanding or Classification" assertion: Understandability, Classification, Presentation, and Disclosure	Table - other than procedures	Y	N/A	
New	Procedures for substantive analytical procedures (all AUD 800s) modified to include new substeps from the AICPA audit guide as follows: a. Our determination of the suitability of the substantive analytical procedures for given assertions, taking account of the assessed risks of material misstatement and tests of details, if any, for these assertions. b. Our evaluation of the reliability of the data used to develop our expectations. We have considered the source, comparability, and nature and relevance of information available, and controls over preparation. c. Our expectation, if not readily determinable from the documentation of the work performed, recorded amounts or ratios and the factors that were considered in developing the expectation. We considered whether the expectation is sufficiently precise to identify misstatements (either individually or in the aggregate) that may cause the financial statements to be materially misstated. d. The amount of difference from the expected value that should lead to further investigation. f. Inquiries of management regarding any results of analytical procedures that did not meet our expectations.	Procedure steps	Y	ISA 520	This step has been moved from the results section of the workpaper and moved into the Program Step Library. New tailoring question related to these steps. All answers and customizations will retain per your roll forward selections.

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	We also obtained appropriate audit evidence to support management's responses.				
AUD-802 Audit Programme: Investments in Securities, Derivative Instruments, and Hedging Activities					Tailoring added and modified to reflect changes noted below.
Deleted	Practice point on International Auditing Practice Statement (IAPS) 1012, <i>Auditing Derivative Financial Instruments</i> .		N		
AUD-803 Audit Programme: Accounts Receivable and Revenue					Tailoring added and modified to reflect changes noted below.
Modify	1 a. We compared gross margins by product line, location, or geographic area for the current year with the prior year, the budget, and industry data.	Procedure steps	N		
Modify	1 b. We compared other operating relationships (e.g. both sales and cost of sales to units shipped) for the current year with those of the prior year.	Procedure steps	N		
Modify	1 c. We compared the current year's account balances with the prior year's account balances for gross receivables, allowance for doubtful accounts, bad debts, and sales returns and allowances.	Procedure steps	N		
New	2. We enquired of the credit manager or other appropriate personnel about the entity's policies for approving sales orders before shipping goods or providing services, including how: <ul style="list-style-type: none"> a. New customer's creditworthiness is determined. b. Standing customer's credit limits are established and reviewed. c. Exceptions are handled if orders outside pre-determined limits are received. d. Management monitors the functioning of controls over the extension of credit. 	Procedure steps	N		
New	3. We inspected documents supporting the various steps of the credit authorisation process and observed how the authorisation of customer orders is executed by the appropriate personnel.	Procedure steps	N		
Modify	Modified allowance for uncollectible procedures to read: <ul style="list-style-type: none"> 1. We tested the adequacy of the allowance for uncollectible accounts as follows (see the sample allowance for uncollectible accounts receivable at AID-814 Allowance 	Procedure steps	N		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>for Uncollectible Accounts Analysis):</p> <ul style="list-style-type: none"> a. We reviewed subsequent cash collections of account balances. b. We reviewed accounts written off during the period. c. We determined whether write-offs had been properly authorised and examined related supporting documentation. d. We enquired of the client as to whether any collection problems with accounts receivable are currently classified as current assets. If so, we considered whether such accounts should be reclassified to noncurrent assets. e. We performed and reviewed ratio analyses for such relationships as (1) accounts receivable turnover, (2) allowance for uncollectible accounts to accounts receivable, (3) allowance for uncollectible accounts to sales, and (4) accounts written off to sales. f. We reviewed post-balance sheet transactions related to receivables, particularly for discounts taken, credits allowed, and accounts written off, and we determined whether any adjustments should be made as of the balance sheet date. 				
New	9. If applicable, we considered whether specialised skills, in accordance with ISA 620, Using the Work of an Auditor's Specialist, are needed in performing the audit of revenue depending on the nature of the industry in which the entity does business (e.g. computer software industry).	Procedure steps	N		
New	<p>10. We performed the following sales cut-off procedures and ascertained that receivables were recorded in the proper accounting period:</p> <ul style="list-style-type: none"> a. From the population of shipping documents, we traced ____ shipments near the end of the year to the sales journal and determined that they were properly included in accounts receivable as of the 	Procedure steps	N		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>balance sheet date.</p> <p>b. From the population of shipping documents, we traced ___ shipments subsequent to year-end to the sales journal and determined that they were properly excluded from accounts receivable as of the balance sheet date.</p> <p>c. Using the sales journal, we traced ___ sales entries near the end of the year from the sales journal to the shipping documents and determined that they were properly included in accounts receivable as of the balance sheet date.</p> <p>d. Using the sales journal, we traced ___ sales entries subsequent to year-end from the sales journal to the shipping documents and determined that they were properly excluded from accounts receivable as of the balance sheet date.</p> <p>e. We confirmed with customers relevant contract terms and the absence of side agreements, such as (1) acceptance criteria; (2) delivery and payment terms; (3) the absence of future or continuing vendor obligations; (4) the right to return the product; (5) guaranteed resale amounts; and (6) cancellation or refund provisions.</p> <p>f. We enquired of the entity's personnel (e.g. sales and marketing personnel or in-house legal counsel) about sales or shipments near year-end and whether they are aware of any unusual terms or conditions in connection with these transactions.</p> <p>g. When revenue transactions are electronically initiated, processed, and recorded, we tested controls to determine whether they provide assurance that recorded revenue transactions occurred and are properly recorded.</p> <p>h. We confirmed directly with customers the following: (1) account activity (not just the balance); (2) sales returns; (3) credit memos; (4) merchandise receipt date; and (5) amounts written off that appear unusual, such as write-offs of balances due from continuing customers</p>				

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<ul style="list-style-type: none"> i. We identified and tested large, complex, or unusual transactions, particularly those occurring around the end of the year. j. We investigated material cash payments to customers and enquired about the nature of such payments. 				
New	<p>11. We identified and reviewed significant sales transactions executed with related parties and considered management’s possible motivations for such transactions, including:</p> <ul style="list-style-type: none"> a. Lack of sufficient working capital or credit to continue the business b. An urgent desire for a continued favorable earnings record in the hope of supporting the price of the entity’s stock c. An overly optimistic earnings forecast d. Dependence on a single or relatively few products, customers, or transactions for the continuing success of the venture e. A declining industry characterised by a large number of business failures f. Excess capacity g. Significant litigation, especially litigation between stockholders and management h. Significant obsolescence dangers because the entity is in a high-technology industry. 	Procedure steps	N		
	<p>12. We have obtained an understanding and reviewed documentation of the following types of transactions:</p> <ul style="list-style-type: none"> a. Value-Added-Resellers (e.g. many entities use VARs to sell their products to end-users). b. “Solution selling” and bundled sales (e.g. entities in some industry sectors are migrating toward providing total, customised solutions and other bundled sales to their customers. These bundled sale arrangements include the sale of hardware and some or all of the following: software, peripherals, installation, 	Procedure steps	N		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>customisation, and other services. When transactions contain multiple elements, it may be difficult to determine the amount and timing of the related revenue recognition.)</p> <p>c. The potential for side agreements (e.g. when an entity and its customers enter into side arrangements that remain either undocumented or documented in agreements separate from the main contract, there is a greater risk that accounting personnel will not be aware of all of the terms of the transaction, which may result in improper revenue recognition. The potential for side agreements is greater for complex or material transactions when side agreements exist.)</p> <p>d. Transactions near the end of the period (e.g. these transactions may be characterised by significant sales incentives and other conditions that affect revenue recognition.)</p>				
New	<p>13. We were alert for transactions that indicate the earnings process may not be complete, such as:</p> <p>a. Bill and hold sales.</p> <p>b. Unfinished products shipped to customers.</p> <p>c. Unauthorised products shipped to customers.</p> <p>d. Sales or shipments to entities other than the customer.</p>	Procedure steps	N		
New	<p>14. We examined supporting documents for the following:</p> <p>a. Entries made to the sales, accounts receivable, and allowance for doubtful accounts.</p> <p>b. Significant reconciling items between the accounts receivable subsidiary ledger and the general ledger.</p> <p>c. Significant reconciling items between the sales journal and the general ledger.</p> <p>d. Reversals of sales or large returns in the period subsequent to the balance sheet date.</p>	Procedure steps	N		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
New	15. We matched sales returns to original sales.	Procedure steps	N		
New	16. We compared sales price to the price list.	Procedure steps	N		
New	17. We ascertained that shipped merchandise actually arrived at the customer's location and that the merchandise was not shipped to a warehouse or location controlled by the client.	Procedure steps	N		
New	18. We examined original documents for sales invoices and shipping documents and were alert for possible alterations.	Procedure steps	N		
New	19. We reviewed customer complaints and looked for unusual trends.	Procedure steps	N		
New	20. We considered circumstances in which salespeople are trying to meet or exceed sales goals in order to achieve quotas or increase their commissions or bonuses.	Procedure steps	N		
New	21. We compared details of units shipped with revenues and production records and considered whether revenues are reasonable compared to levels of production and average sales price.	Procedure steps	N		
New	22. We compared the number of weeks of inventory in distribution channels with that in prior periods for unusual increases that may indicate channel stuffing.	Procedure steps	N		
New	23. We analyzed and reviewed deferred revenue accounts for propriety and reasonableness of deferral.	Procedure steps	N		
Delete	We tested the adequacy of the allowance for uncollectible accounts as follows (see the sample allowance for uncollectible accounts receivable at AID-814 Accounts Receivable: Allowance for Uncollectible Accounts Analysis): a. We reviewed subsequent cash collections of account balances. b. We reviewed accounts written off during the period. c. We determined whether write-offs had been properly authorised, and examined related supporting documentation. d. We enquired of the client as to whether any collection	Procedure steps	N		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>problems with accounts receivable are currently classified as current assets. If so, we considered whether such accounts should be reclassified to noncurrent assets.</p> <p>e. We performed and reviewed ratio analyses for such relationships as (1) accounts receivable turnover, (2) allowance for uncollectible accounts to accounts receivable, (3) allowance for uncollectible accounts to sales, and (4) accounts written off to sales.</p> <p>f. We reviewed post-statement of financial position transactions related to receivables, particularly for discounts taken, credits allowed, and accounts written off, and we determined whether any adjustments should be made as of the statement of financial position date.</p> <p>2. We performed the following sales cut-off procedures and ascertained that receivables were recorded in the proper accounting period:</p> <p>a. From the population of shipping documents, we traced ____ shipments near the end of the year to the sales journal and determined that they were properly included in accounts receivable as of the statement of financial position date.</p> <p>b. From the population of shipping documents, we traced ____ shipments subsequent to year-end to the sales journal and determined that they were properly excluded from accounts receivable as of the statement of financial position date.</p> <p>c. Using the sales journal, we traced ____ sales entries near the end of the year from the sales journal to the shipping documents and determined that they were properly included in accounts receivable as of the statement of financial position date.</p> <p>d. Using the sales journal, we traced the ____ sales entries subsequent to year-end from the sales journal to the shipping documents and determined that they were properly excluded from accounts receivable as of the statement of financial position date.</p>				
Delete	<p>a. Confirming with customers relevant contract terms and the absence of side agreements, such as (1) acceptance criteria; (2) delivery and payment terms; (3) the absence of future or continuing vendor obligations; (4) the right to return the product; (5) guaranteed resale amounts; and (6)</p>	Procedure steps	N		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>cancellation or refund provisions.</p> <p>b. Enquiring of the entity's personnel (e.g. sales and marketing personnel or in-house legal counsel) about sales or shipments near year-end and whether they are aware of any unusual terms or conditions in connection with these transactions.</p>				
Delete	<p>a. When revenue transactions are electronically initiated, processed, and recorded, testing controls to determine whether they provide assurance that recorded revenue transactions occurred and are properly recorded.</p> <p>b. Reviewing monthly sales levels and comparing to monthly inventory levels.</p> <p>c. Reviewing sales returns and inspect credit memos.</p> <p>d. Confirming directly with customers the following: account activity (not just the balance); sales returns; credit memos; merchandise receipt date; and amounts written off that appear unusual, such as write-offs of balances due from continuing customers.</p> <p>e. Identifying and testing large, complex, or unusual transactions, particularly those occurring around the end of the year.</p> <p>f. Investigating material cash payments to customers and enquiring about the nature of such payments.</p> <p>g. Examining supporting documents for the following:</p> <p>(1) Entries made to the sales, accounts receivable, and allowance for doubtful accounts.</p> <p>(2) Significant reconciling items between the accounts receivable subsidiary ledger and the general ledger.</p> <p>(3) Significant reconciling items between the sales journal and the general ledger.</p> <p>(4) Reversals of sales or large returns in the period subsequent to the statement of financial position date.</p> <p>h. Matching sales returns to original sales.</p> <p>i. Comparing sales price to the price list.</p> <p>j. Ascertaining that shipped merchandise actually arrived at the customer's location and that the merchandise was not shipped to a warehouse or location controlled by the client.</p> <p>k. Examining original documents for sales invoices and shipping documents and being alert for possible alterations.</p> <p>l. Ascertaining that shipping documents and invoices are prenumbered sequentially and accounted for.</p>	Procedure steps	N		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	<p>m. Reviewing customer complaints and looking for unusual trends.</p> <p>n. Considering circumstances in which salespeople are trying to meet or exceed sales goals in order to achieve quotas or increase their commissions or bonuses.</p> <p>o. Comparing details of units shipped with revenues and production records and considering whether revenues are reasonable compared to levels of production and average sales price.</p> <p>p. Comparing the number of weeks of inventory in distribution channels with that in prior periods for unusual increases that may indicate channel stuffing.</p> <p>q. Analysing and reviewing deferred revenue accounts for propriety and reasonableness of deferral.</p>				
AUD-805 Audit Programme: Prepaid Expenses, Deferred Charges, and Other Assets					
New	5b. We agreed the balances on the schedule to the accounting records.	Procedure steps	N		
New	5c. We scanned the accounting records for additions and deletions.	Procedure steps	N		
New	5e. We compared current period's ending balances per the general ledger to the prior period's balances and investigated any significant or unexpected variations.	Procedure steps	N		
New	5f. We compared current period's income statement-related account balances to the prior period's balances and current period budget and investigated any significant or unexpected variations.	Procedure steps	N		
New	5g. We calculated current period account balances as a percentage of the related expenses and compared to the prior period's percentages.	Procedure steps	N		
New	5i. We recomputed amortisation expense either by major asset classification (by making approximations on an overall basis) or by testing amortisation recorded for individual assets, compared the computed amounts to actual, and investigated significant or unexpected differences.	Procedure steps	N		
AUD-806 Audit Programme: Intangible Assets					

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
New	5d. If the entity opts to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, we have reviewed and evaluated management's assessment and conclusion.	Procedure steps	N		
AUD-808 Audit Programme: Accounts Payable and Purchases					
New	1c. We compared gross margins by product line, location, or geographic area for the current year with the prior year, the budget, and industry data.	Procedure steps	N		
New	1d. We compared other operating relationships (e.g. both sales and cost of sales to units shipped) for the current year with those of the prior year.	Procedure steps	N		
New	1e. We compared the current year's composition of total product cost (i.e. materials, labour, and overhead) with the prior year's and industry data.	Procedure steps	N		
AUD-809 Audit Programme: Payrolls and Other Liabilities					Tailoring added and modified to reflect changes noted below.
New	1d. We compared the relationships of current-year payroll expense to cost of sales and sales with those of the prior year's and industry data.	Procedure steps	N		
New	1e. We compared with the prior year the relationship of (a) current-year employee benefits, including vacation and sick pay to gross pay, and (b) pension expense to number of covered employees.	Procedure steps	N		
New	1f. We computed average compensation divided by number of full-time equivalents (FTEs) and compared them with the prior year's and industry data.	Procedure steps	N		
New	1g. We computed payroll tax expense as a percentage of total wages and salaries and compared them with the prior year's and industry data.	Procedure steps	N		
Modify	Modified verbiage on step 10 related to retirement of long lived assets obligations	Procedure steps	N		
AUD-813 Audit Programme: Other Income and Expenses					
Modify	Audit objectives	Table - other	N		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
		than procedures			
Delete	1c. We compared gross margins by product line or geographic area for the current year with the prior year, the budget, and industry data.	Procedure steps	N		
Delete	1d. We compared other operating relationships (e.g. both sales and cost of sales to units shipped) for the current year with those of the prior year.	Procedure steps	N		
Delete	1d. We compared other operating relationships (e.g. both sales and cost of sales to units shipped) for the current year with those of the prior year.	Procedure steps	N		
Delete	1e. We compared other operating relationships (e.g. both sales and cost of sales to units shipped) for the current year with those of the prior year. We compared	Procedure steps	N		
Delete	1f. We compared the relationships of current-year payroll expense to cost of sales and sales with those of the prior year's industry data	Procedure steps	N		
Delete	1g. We compared with the prior year the relationship of (a) current-year employee benefits, including vacation and sick pay to gross pay, and (b) pension expense to number of covered employees.	Procedure steps	N		
Delete	1h. We computed average compensation divided by number of full-time equivalents (FTEs) and compared them with the prior year's industry data.	Procedure steps	N		
Delete	1i. We computed payroll tax expense as a percentage of total wages and salaries and compared them with the prior year.	Procedure steps	N		
Delete	1j. We compared other income account balances of the current year with those of the prior year.	Procedure steps	N		
Delete	1k. We compared expense account balances of the current year with those of the prior year.	Procedure steps	N		
Delete	2b. Repairs and maintenance;	Procedure steps	N		
New	3. We reviewed supporting documentation for legal fees,	Procedure	N		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	considering potential environmental, eviction, and other legal matters, and documented any findings and conclusions.	steps			
New	8d. The amount of difference from the expected value that should lead to further investigation.	Procedure steps	N		
AUD-814 Audit Programme: Journal Entries and Financial Statement Review					This is one of the new audit areas add to the tailoring questions in AUD-100. Review the questions in AUD-100. New tailoring question related to these steps. All answers and customizations will retain per your roll forward selections.
Modify	Audit area is connected to the Risk Assessment and Program Step Library. Program Steps can be linked to risks, and audit areas are a part of the risk assessment.	Flow Change	N	N/A	After update, insert new workpaper before deleting the 2011 workpaper so that responses and customizations are retained per roll forward selections.
New	Added practice point to Section I.	Procedure steps	N		
AUD-815 Audit Programme: Related-Party Transactions, Commitments and Contingencies, Estimates, and Concentrations					This is one of the new audit areas add to the tailoring questions in AUD-100. Review the questions in AUD-100. New tailoring question related to these steps. All answers and customizations will retain per your roll forward selections.
Modify	Audit area is connected to the Risk Assessment and Program Step Library. Program Steps can be linked to risks, and audit areas are a part of the risk assessment.	Flow Change	N	N/A	After update, insert new workpaper before deleting the 2011 workpaper so that responses and customizations are retained per roll forward selections.
New	Added practice point to Section I.	Procedure steps	N		
Delete	Removed duplicate step "We reviewed data filed with regulatory agencies for information about material transactions with related parties."	Procedure steps	N		
New	Added step on arm's length assertion by management "6. If management has made an assertion in the financial statement to the effect that a related party transaction was conducted on terms equivalent to those prevailing in an arm's length transaction, we obtained sufficient appropriate audit evidence about the assertion."	Procedure steps	N		
New	Added 2 procedures in Section III re: identification of litigation or claims "31. If the entity's legal counsel identifies new litigation or claims, subsequent to the date of	Procedure steps	N		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	the request for the letter of enquiry, we enquired of management as to the matter, prior to signing the auditor's report. 32. If our audit procedures led to the discovery of matters of a legal nature not previously identified by management, we considered the impact of each the matters on the financial statements."				
AUD-816 Audit Programme: Fair Value Measurements and Disclosures					This is one of the new audit areas add to the tailoring questions in AUD-100. Review the questions in AUD-100. New tailoring question related to these steps. All answers and customizations will retain per your roll forward selections.
Modify	Audit area is connected to the Risk Assessment and Program Step Library. Program Steps can be linked to risks, and audit areas are a part of the risk assessment.	Flow Change	N	N/A	After update, insert new workpaper before deleting the 2011 workpaper so that responses and customizations are retained per roll forward selections.
Modify	Modified the practice point regarding IAPS 1000 for current status.	Practice Points	Y	IAPS 1000	
New	Added practice point to Section I.	Practice Points	N		
New	Added practice point re: substantive analytical procedures to Section III Substantive Procedures.	Practice Points	N		
AUD-817 Audit Programme: Special Purpose Entities					This is one of the new audit areas add to the tailoring questions in AUD-100. Review the questions in AUD-100. New tailoring question related to these steps. All answers and customizations will retain per your roll forward selections.
Modify	Audit area is connected to the Risk Assessment and Program Step Library. Program Steps can be linked to risks, and audit areas are a part of the risk assessment.	Flow Change	N	N/A	After update, insert new workpaper before deleting the 2011 workpaper so that responses and customizations are retained per roll forward selections.
New	Added financial statement assertions to the procedures table.	Procedure steps	N	N/A	
New	Added practice point re: substantive analytical procedures to Section III Substantive Procedures.	Practice Points	N		
AUD-818 Audit Programme: Share-Based Payments					
Modify	Instruction language modified to enhance user understanding of methodology.	Instructions	N	N/A	
New	Added practice point re: substantive analytical procedures	Practice	N		

Type of Change	Description of Change	Location	Based on Standard Y/N	Standard Reference	Roll Forward Considerations
	to Section III Substantive Procedures.	Points			
AUD-901 Audit Programme: Subsequent Events					
AUD-902 Audit Programme: Going Concern					
AUD-903 Audit Programme: Consideration of Fraud					
Delete	Deleted substeps for steps relating to enquire of management, those charged with governance, and others. These steps were duplicative of steps performed and signed off at KBA-303. Reworded main steps to refer to KBA-303 for enquiry and sign-off.	Procedure steps	N		

Auditor's Reports (RPTs)

- **2013 Knowledge-Based Audits: International Audits** includes 35 illustrative example auditor's reports. The illustrative example reports include 18 example unmodified opinions, 11 example qualified opinions, 4 examples of adverse opinions, and 2 examples of disclaimer of opinion reports.
- **RPTs 935 through 941** - US-style reports. With the advent of the clarified report format, the US style is no longer different and these reports are no longer needed.

Correspondence Documents (CORs)

- **2013 Knowledge-Based Audits: International Audits** illustrative example correspondence documents have been updated throughout to include new practice points and examples, as necessary.
- **COR-210 Letter to Regulator Prior to Allowing a Regulator Access to the Audit Documentation** and subsequent correspondence letters have been renumbered to better sequence illustrative correspondence.
- **NEW COR-214 Component Auditor's Confirmation Response to Group Engagement Team** provides a sample component auditor's confirmation response to the group engagement team.
- **NEW COR-215 Communication with Those Charged with Governance, Including Those Overseeing the Financial Reporting Process during Planning** provides a sample correspondence if the auditor wishes to communicate with those charged with governance during planning.
- **COR-814 Request for Confirmation of Mortgage Debt** added new question: 5. Balloon payment, if any (enter amount):
- **COR-821 Confirmation of Sales Terms** provides a sample confirmation of sales terms.
- **COR-901 Management Representation Letter** added illustrative language to "additional guidance" for representations related to sales contracts and revenue recognition.

Practice Aids (AIDs)

- **2013 Knowledge-Based Audits: International Audits** practice aids have been updated throughout to include new considerations and examples.
- **AID-601 Considering Reliance on the Work of Internal Auditors** has been updated to include enhanced documentation of the understanding of the internal audit function, including: nature and scope of the work performed by the internal audit function; planned use of its work; evaluation of the internal audit function; and a section on assessing the effectiveness of communication with internal auditors to comply with ISA 610.
- **AID-701 Audit Sampling Worksheet for Tests of Controls** has been updated and the appendix has been moved to new RES-004.
- **AID-801 Audit Sampling Worksheet for Substantive Tests of Details** has been updated and the appendix has been moved to new RES-005.

- **NEW AID-840 Revenue and Expense: Analytical Procedures** has been designed to help the auditor perform analytical procedures of related account balances, ratios, and trends to provide evidence of the reasonableness of the revenue and expense account balances.
- **NEW AID-841 Payroll and Related Liabilities: Analytical Procedures** has been designed to help the auditor perform analytical procedures of payroll and related liabilities.

Resource Documents (RESs)

- **RES-001 Knowledge-Based Audit Methodology Overview** has been updated and enhanced to better communicate the KBA methodology and how KBA complies with the International standards.
- **NEW RES-018 Determination of Materiality, Performance Materiality, Tolerable Misstatement, and Thresholds for Trivial Amounts** is a new resource document providing best practice guidance for calculating materiality, performance materiality, tolerable misstatement, and thresholds for trivial amounts.
- **NEW RES-019 Example Factors to Be Considered When Understanding the Entity and Its Environment** is a new resource document providing guidance and examples for understanding the entity and its environment.
- **RES-KCO 2013 International Title Overview for Knowledge Coach Users** formally **RES-010** has been added as a reference document for the workpaper update information, along with list of related workpapers for the title.
- **NEW KCO-002 Answer Effects for the Program Step Library** has been added as a reference document to describe the answer effects for Mark Program Step as N/A for the Program Step Library.

RELATED, FOUNDATIONS AND ASSOCIATION WORKPAPERS FOR THIS TITLE

Related workpapers are Knowledge Coach Word workpapers where information flows in or out of tables within the workpaper. Some of these related workpapers are Foundation workpapers or associated workpapers.

Foundation Workpapers include most of the Communication Hub workpapers, which are central to the Knowledge-Based Audit Methodology used by the Knowledge Coach titles. Associated workpapers require you to associate them with custom values, such as audit areas, specialists, service organizations, and other items. Workpapers require an association when you need to have more than one instance of a particular Knowledge Coach workpaper in your binder for each type of item to which the workpaper is related. Making this association allows Knowledge Coach information to flow properly between workpapers.

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
KBA	KNOWLEDGE-BASED AUDIT DOCUMENTS		
KBA-101	Overall Audit Strategy	X	
KBA-102	Engagement Completion Document	X	
KBA-103	Evaluating and Communicating Internal Control Deficiencies	X	
KBA-105	Review of Significant Accounting Estimates	X	
KBA-201	Entity/Engagement Acceptance and Continuance Form		
KBA-302	Understanding the Entity and Its Environment: Complex Entities		
KBA-302N	Understanding the Entity and Its Environment; Non-Complex Entities		
KBA-303	Enquiries of Management and Others within the Entity about the Risks of Fraud		
KBA-400	Scoping and Mapping of Significant Account Balances, Classes of Transactions, and Disclosures	X	
KBA-401	Understanding Entity-Level Controls: Complex Entities		

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
KBA-401N	Understanding Entity-Level Controls: Non-Complex Entities		
KBA-402	Understanding General Controls for Information Technology		
KBA-403	Understanding Activity-Level Controls: Revenue, Accounts Receivable, and Cash Receipts		
KBA-404	Understanding Activity-Level Controls: Inventory		
KBA-405	Understanding Activity-Level Controls: Property, Plant, and Equipment		
KBA-406	Understanding Activity-Level Controls: Other Assets		
KBA-407	Understanding Activity-Level Controls: Accounts Payable and Disbursements		
KBA-408	Understanding Activity-Level Controls: Payroll		
KBA-409	Understanding Activity-Level Controls: Treasury		
KBA-410	Understanding Activity-Level Controls: Taxes		
KBA-411	Understanding Activity-Level Controls: Financial Reporting and Closing Process		
KBA-412	Understanding Controls Maintained by a Service Organisation		X
KBA-502	Summary of Risk Assessments		
KBA-503	Basis for Inherent Risk Assessment		
KBA-902	Audit Review and Approval Checklist		

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
KBA-904	Audit Documentation Checklist		
AUDs	AUDIT PROGRAMMES		
AUD-100	Overall Tailoring Questions	X	
AUD-101	Overall Audit Programme	X	
AUD-201	Audit Programme: Opening Balances and Additional Audit Procedures for an Initial Audit Engagement		
AUD-601	Audit Programme: Testing and Evaluating Internal Auditors' Work		
AUD-602	Audit Programme: Involvement of a Component Auditor		X
AUD-603	Audit Programme: Using the Work of an Auditor's Expert		X
AUD-604	Audit Programme: Using the Work of a Management's Expert		X
AUD-701	Audit Programme: Designing Tests of Controls		
AUD-800	Audit Programme: Custom		X
AUD-801	Audit Programme: Cash		
AUD-802	Audit Programme: Investments in Securities, Derivative Instruments, and Hedging Activities		
AUD-803	Audit Programme: Accounts Receivable and Revenue		
AUD-804	Audit Programme: Inventories and Cost of Sales		

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
AUD-805	Audit Programme: Prepaid Expenses, Deferred Charges, and Other Assets		
AUD-806	Audit Programme: Intangible Assets		
AUD-807	Audit Programme: Property and Equipment, and Depreciation		
AUD-808	Audit Programme: Accounts Payable and Purchases		
AUD-809	Audit Programme: Payrolls and Other Liabilities		
AUD-810	Audit Programme: Income Taxes		
AUD-811	Audit Programme: Debt Obligations		
AUD-812	Audit Programme: Equity		
AUD-813	Audit Programme: Other Income and Expense		
AUD-814	Audit Programme: Journal Entries and Financial Statement Review		
AUD-815	Audit Programme: Related-Party Transactions, Commitments and Contingencies, Estimates, and Concentrations		
AUD-816	Audit Programme: Fair Value Measurements and Disclosures		
AUD-817	Audit Programme: Special Purpose Entities		
AUD-818	Audit Programme: Share-Based Payments		
AUD-901	Audit Programme: Subsequent Events		

<i>Form No.</i>	<i>Form Name</i>	<i>Foundation Workpaper</i>	<i>Association Workpaper</i>
AUD-902	Audit Programme: Going Concern		
AUD-904	Audit Programme: Compliance with Laws and Regulations		
AIDs	PRACTICE AIDs		
AID-201	Non-Assurance Services Independence Checklist		
AID-302	Understanding the Entity's Revenue Streams and Revenue Recognition Policies		
AID-601	Considering Reliance on the Work of Internal Auditors		
AID-701	Audit Sampling Worksheet for Tests of Controls		
AID-702	Results of Tests of Controls		
AID-802	Inventory Observation Checklist		
AID-901	Differences of Professional Opinion		
AID-902	Changes to Audit Documentation after the Auditor's Report Release Date		

Additional Information for Associated Workpapers

The following tables list the workpapers that require association in this title, along with the information that must be completed before you can insert each workpaper.

<i>Workpaper Requiring Association</i>	<i>What is it associated with?</i>		
	<i>Workpaper</i>	<i>Table/Question</i>	<i>Association Item (Custom Value)</i>
KBA-412 UnderstandingCtrls: Service Org (Custom)	AUD-100 Tailoring Question Workpaper	Does the client use service organisations? Shows the "Document the service organisations used by the entity." table in KBA-101 Overall Audit Strategy.	
	KBA-101 Overall Audit Strategy	Document the service organisations used by the entity.	Service Organization
AUD-602 Audit Programme: Component Auditor Involvement (Custom)	AUD-100 Tailoring Question Workpaper	Are any of the multiple components, multiple locations, or segments expected to be audited by component auditors? is "Yes" Shows the "Document the multiple components, multiple locations, or segments expected to be audited by component auditors." table in KBA- 101 Overall Audit Strategy.	
	KBA-101 Overall Audit Strategy	Document the multiple components, multiple locations, or segments expected to be audited by component auditors.	Audit Firm Name
AUD-603 Audit Programme: Auditor's Specialist (Custom)	AUD-100 Tailoring Question Workpaper	Will the auditor use an auditor's expert on our audit? is "Yes" Shows the "Document the expected use of an auditor's expert(s) on our audit." table in KBA-101 Overall Audit Strategy.	
	KBA-101 Overall Audit Strategy	Document the expected use of an auditor's expert(s) on our audit.	Specialist Firm Name
AUD-604 Audit Programme: Management's Specialist (Custom)	AUD-100 Tailoring Question Workpaper	Has management used a management's expert for any relevant assertions in the financial statements? is "Yes" Shows the "Document the expected use of a management(s) expert on our audit." table in KBA-101 Overall Audit Strategy.	
	KBA-101 Overall Audit Strategy	Document the expected use of a management(s) expert on our audit.	Specialist Firm Name
AUD-800 Audit Programme: (Custom)	AUD-100 Tailoring Question Workpaper	What financial statement audit areas are applicable to this engagement? "Customize Audit Area" link within the answer selection box.	Custom Audit Area