

audit working papers examples

Audit working papers examples play a crucial role in the audit process, serving as the backbone of the auditor's findings and conclusions. These documents provide evidence of the work performed, the conclusions reached, and the rationale behind those conclusions. Whether you're an aspiring auditor, a student in accounting, or a seasoned professional, understanding the various types of audit working papers and their applications can enhance your auditing skills and ensure compliance with regulatory standards.

Understanding Audit Working Papers

Audit working papers are the documentation that auditors create while conducting an audit. They serve multiple purposes, including:

1. **Evidence of Work:** They provide a record of the work performed and evidence to support the auditor's conclusions.
2. **Facilitation of Review:** They enable supervisors or colleagues to review the audit work and ensure quality control.
3. **Compliance with Standards:** They ensure compliance with auditing standards and regulatory requirements.
4. **Reference for Future Audits:** They act as a valuable resource for future audits of the same entity.

Types of Audit Working Papers

Audit working papers can be categorized into several types, each serving a specific function within the audit process. Below are some of the most common types:

1. Planning Documents

Planning documents set the foundation for the audit. They outline the objectives, scope, and methodology of the audit. Examples include:

- **Audit Engagement Letter:** This document outlines the terms of the audit engagement, including the responsibilities of both the auditor and the client.
- **Audit Plan:** A detailed plan that specifies the audit approach, timing, and resources required for the audit.
- **Risk Assessment Document:** A document that identifies and assesses the risks of material misstatement in the financial statements.

2. Evidence Collection

Evidence collection papers document the evidence gathered during the audit process. They include:

- Working Trial Balance: A summary of all general ledger accounts, which helps auditors verify the accuracy of financial statements.
- Lead Schedules: Detailed schedules that summarize account balances and provide a breakdown of specific accounts (e.g., accounts receivable, inventory).
- Confirmation Letters: Letters sent to third parties (like banks or customers) to confirm balances or transactions.

3. Test of Controls and Substantive Testing

These papers document the testing of internal controls and substantive procedures performed. Examples include:

- Control Testing Working Papers: Documentation of tests performed on internal controls, including the results of those tests.
- Substantive Test Files: Detailed documentation of substantive audit procedures performed, such as tests of transactions and balances.

4. Analytical Procedures

Analytical procedures involve evaluating financial information through analysis and comparison. Key documents include:

- Analytical Review Schedules: Schedules that compare current year financial data with prior periods or industry benchmarks to identify unusual trends or fluctuations.
- Variance Analysis: Documentation that explains significant variances between budgeted and actual figures.

5. Conclusions and Reporting

These papers culminate in the auditor's findings and recommendations. They include:

- Working Papers for Audit Findings: A summary of the findings during the audit, including any issues or discrepancies noted.
- Draft Audit Report: A preliminary version of the audit report that outlines the auditor's conclusions and recommendations.

Examples of Audit Working Papers

Understanding how to create and organize audit working papers is essential. Here are examples of specific working papers that auditors commonly use:

1. Audit Planning Memorandum

This document outlines the overall audit strategy, including:

- Objective of the Audit: What the audit aims to achieve.
- Scope: The areas to be covered.
- Timeline: Key dates for the audit process.

2. Inventory Count Working Papers

These papers document the results of the physical inventory count, including:

- Inventory Count Sheets: A record of items counted during the physical inventory.
- Observation Notes: Notes taken during the inventory observation, including any discrepancies.

3. Cash Confirmation Working Papers

For cash balances, auditors often prepare:

- Bank Confirmation Requests: Copies of the requests sent to banks to confirm account balances.
- Bank Statements: Copies of bank statements obtained directly from the financial institution.

4. Accounts Receivable Aging Report

This report categorizes accounts receivable by the length of time they have been outstanding, including:

- Aging Schedule: A detailed schedule showing outstanding receivables categorized by time (e.g., current, 30 days, 60 days, etc.).
- Supporting Documentation: Invoices and contracts related to outstanding receivables.

5. Payroll Testing Working Papers

These working papers document the procedures related to payroll:

- Payroll Register: A detailed report of employee payments for the audit period.
- Employee Contracts: Documentation of employment terms and conditions.

Best Practices for Creating Audit Working Papers

To ensure that audit working papers are effective and meet professional standards, auditors should adhere to the following best practices:

1. **Be Organized:** Use a systematic approach to organize working papers, making it easy to locate information.
2. **Maintain Clarity:** Ensure that all working papers are clear and understandable, with appropriate headings, labels, and explanations.
3. **Use Standard Formats:** Utilize templates and standard formats for consistency across audit files.
4. **Document Everything:** Include all relevant information, including dates, signatures, and references to supporting documents.
5. **Review and Revise:** Regularly review working papers for completeness and accuracy, making necessary adjustments before finalizing.

Conclusion

Audit working papers are an essential aspect of the audit process, providing the necessary documentation that supports the auditor's conclusions. By understanding the types of audit working papers, their examples, and best practices for their creation, auditors can enhance their effectiveness and ensure compliance with auditing standards. As the landscape of auditing continues to evolve, the importance of well-structured and comprehensive working papers cannot be overstated. They not only serve as a valuable resource for auditors but also contribute to the transparency and reliability of financial reporting.

Frequently Asked Questions

What are audit working papers and why are they important?

Audit working papers are the documents that auditors prepare to record the evidence obtained during an audit. They are important because they provide a basis for the auditor's conclusions, support the audit report, and help ensure compliance with auditing standards.

Can you provide examples of different types of audit working papers?

Examples of audit working papers include lead schedules, trial balances, bank reconciliations, working trial balances, and summary of findings. Each type serves a specific purpose in documenting the audit process and findings.

How can technology improve the preparation of audit working papers?

Technology can improve the preparation of audit working papers by allowing for electronic documentation, enhancing collaboration through cloud-based platforms, automating calculations, and providing templates that ensure compliance with auditing standards.

What should be included in an effective audit working paper?

An effective audit working paper should include the purpose of the document, the procedures performed, evidence obtained, conclusions drawn, and references to related documents. It should also be organized and clearly labeled for easy understanding.

How do audit working papers vary between different types of audits?

Audit working papers may vary based on the type of audit being conducted, such as financial, compliance, or operational audits. For instance, financial audits may focus more on financial statements and internal controls, while compliance audits may include details on regulatory requirements and adherence.

Audit Working Papers Examples

audit working papers examples: Wiley CPA Examination Review 2007-2008, Problems and Solutions Patrick R. Delaney, Ray Whittington, O. Ray Whittington, 2007-06-11 Wiley CPA Exam Review 34th Edition ? 2007-2008 Volume 1 Outlines and Study Guides * Covers all four sections of the CPA examination point by point * Stresses important topical areas to study for each part * Helps establish a self-study preparation program * Divides exam into 45 manageable study units * Provides an outline format supplemented by brief examples and illustrations * Makes material easy to read, understand, and remember * Includes timely, up-to-the-minute coverage for the computerized exam * Explains step-by-step examples of the solutions approach * Contains all current AICPA content requirements for all four sections of the exam Volume 2 Problems and Solutions * Offers selected problems from all four examination sections * Contains rationale for correct or incorrect multiple-choice answers * Covers the new simulation-style problems-offering more than 75 practice questions * Details a solutions approach to each problem * Updates unofficial answers to reflect current laws and standards * Groups multiple-choice questions into topical categories within modules for easy cross-referencing * Provides a sample examination for each of the four exam parts The computer-based CPA exam is here! Are you ready? The 34th Edition of the Wiley CPA Exam Review is revised and updated for the new computerized exam, containing AICPA sample test questions released as recently as April 2007. To help candidates prepare for the new exam format, this edition includes a substantial number of the new simulation-type questions. Passing the CPA exam on your first attempt is possible! We'd like to help. Get Even More Information Online: You'll find a wide range of aids for doing your best on the CPA exam at wiley.com/cpa, including content updates, CPA exam study and test-taking tips, and more. All Wiley CPA Exam Review products are listed on the site.

audit working papers examples: The Principles and Practice of Auditing George Puttick, Sandy van Esch, 2007 A valuable resource for students preparing for certification, registered accountants and auditors, and financial personnel in various businesses, this is the 9th updated edition of a classic auditing text. Integrating theory with practice and application, it is up-to-date with the field's recent and gradual transition from self-regulation to external auditing and supervision.

audit working papers examples: Audit Working Papers Jacob Hugh Jackson, 1923

audit working papers examples: Internal Audit Practice from A to Z Patrick Onwura Nzechukwu, 2016-11-25 This book addresses the practice of internal auditing using GAAS (Generally

Accepted Auditing Standards), GAGAS (Generally Accepted Government Auditing Standards) and International Standards for the Professional Practice of Internal Auditing (Standards) as enunciated by the IIA. Unique in that it is primarily written to guide internal auditors in the process and procedures necessary to carry out professionally accepted internal audit functions, it includes everything necessary to start, complete and evaluate an internal audit practice, simplifying the task for even non-professionals.

audit working papers examples: Brink's Modern Internal Auditing Robert R. Moeller, 2005-01-07 Brink's Modern Internal Auditing, Sixth Edition is a comprehensive resource and reference book on the changing world of internal auditing, including Sarbanes-Oxley compliance issues. * Sixth edition of a very well respected auditing resource. * Provides an overview of the role and responsibilities of the internal auditor. * Includes discussion of the Sarbanes-Oxley Act and the impact it has on auditing (particularlry concerning controls). * Provides expanded coverage of fraud and business ethics. * Includes guidance on reporting results effectively. * Provides in-depth discussion of internal audit and corporate governance.

audit working papers examples: Audit Working Papers Maurice E. Peloubet, 1949

audit working papers examples: Wiley CPA Exam Review 2011, Auditing and Attestation Patrick R. Delaney, O. Ray Whittington, 2010-10-05 Fully updated for the 2011 test format--Cover.

audit working papers examples: Auditing Raymond N. Johnson, Laura Davis Wiley, Robyn Moroney, Fiona Campbell, Jane Hamilton, 2019-04-16 The explosion of data analytics in the auditing profession demands a different kind of auditor. Auditing: A Practical Approach with Data Analytics prepares students for the rapidly changing demands of the auditing profession by meeting the data-driven requirements of today's workforce. Because no two audits are alike, this course uses a practical, case-based approach to help students develop professional judgement, think critically about the auditing process, and develop the decision-making skills necessary to perform a real-world audit. To further prepare students for the profession, this course integrates seamless exam review for successful completion of the CPA Exam.

audit working papers examples: PRINCIPLES OF AUDITING S.SELVAKUMARI , S.SOWMIYA, .

audit working papers examples: Accountants' Working Papers Leslie E. Palmer, William Hansell Bell, 1923

audit working papers examples: DCAA contract audit manual United States. Defense Contract Audit Agency, 2000

audit working papers examples: Defense Contract Audit Manual United States. Defense Contract Audit Agency, 2000

audit working papers examples: FIA Foundations in Audit (INT) - FAU -Kit BPP Learning Media, 2013-01-01 FIA Foundations in Audit (INT) - FAU -Kit

audit working papers examples: Auditing Standards 2017 AICPA, 2017-05 This edition delivers the current Statements on Auditing Standards (SASs) and related interpretations in a codified format, providing the most up-to-date information needed to conduct successful audits and provide high-quality services to your clients. This authoritative guidance, issued directly from the AICPA, is essential to fully understand the requirements associated with an audit. This codification is fully indexed and arranged by subject. The codified standards and related interpretations are vital to practitioners performing audits.

audit working papers examples: Audit and Accounting Manual: Nonauthoritative Practice Aid, 2019 AICPA, 2019-08-09 This comprehensive, step-by-step guide provides a plain-English approach to planning and performing audits. In this handy resource, accountants and auditors will find updates for the issuance of SAS No. 132, The Auditor's Consideration of an Entity's Ability to Continue as a Going Concern, with illustrative examples, sample forms and helpful techniques ideal for small- and medium-sized firms Key Features include: Comprehensive and step-by-step guidance on the performance of an audit Numerous alerts that address the current-year developments in a variety of areas Illustrative examples and forms to facilitate hands-on performance of the audit

audit working papers examples: *Codification of Statements on Auditing Standards* AICPA, 2018-04-16 This edition delivers the current Statements on Auditing Standards (SASs) and related interpretations in a codified format, giving auditors the most up-to-date information they need to conduct successful audits and provide high-quality services to their clients. This authoritative guidance, issued directly from the AICPA, is essential to fully understand the requirements associated with an audit. This edition includes the following new standard: SAS No. 133, Auditor Involvement With Exempt Offering Documents This codification is fully indexed and arranged by subject. The codified standards and related interpretations are vital to practitioners performing audits.

audit working papers examples: Practice Aid: Audit and Accounting Manual, 2017 AICPA, 2017-08-14 This one-stop-shop summarizes applicable requirements and delivers how-to advice to help practitioners plan and perform an audit. A valuable resource featuring new updates for the issuance of SAS No. 132, The Auditor's Consideration of an Entity's Ability to Continue as a Going Concern, this guide provides illustrative examples, sample forms, and helpful techniques that small-and medium-sized firms need to streamline their audit engagements.

audit working papers examples: Official Gazette Philippines, 2009-06

AUDIT - 审计

Chairman of the Board --- Chairperson of the Board
CEO - Chief

audit, check, inspection, review Definition of audit (Entry 1 of 2) 1a: a formal examination of an organization's or individual's accounts or financial situationThe audit showed that the company had misled investors. b: the

Internal auditinternal control Internal auditinternal control
Internal audithinternal control 4
The Economist Financial Times CNBC Bloomberg Wall Street Journal The New York
COM Surrogate COM Surrogate

IT (Business Audit / Core Audit) IT

SMETAcapr SMETA 1.Announced 2.Semi-announced
For the semi-Announced audits, the audit windows shall range between 2 weeks and 2 months
AUDIT Audit Audit Audit Audit

AuditAssurance Assurance

Chairman of the Board --- Chairperson of the Board CEO - Chief

audit,check,inspection,review Definition of audit (Entry 1 of 2) 1a: a formal examination of an organization's or individual's accounts or financial situationThe audit showed that the company had misled investors. b: the

Internal auditinternal control Internal auditinternal control
Internal audithinternal control 4
The Economist Financial Times CNBC Bloomberg Wall Street Journal The New York
COM Surrogate COM Surrogate

IT (Business Audit / Core Audit) IT

SMETAcapr SMETA 1.Announced 2.Semi-announced
For the semi-Announced audits, the audit windows shall range between 2 weeks and 2 months
AUDIT Audit Audit Audit Audit

AuditAssurance Assurance

Chairman of the Board --- Chairperson of the Board CEO - Chief

audit,check,inspection,review Definition of audit (Entry 1 of 2) 1a: a formal examination of an organization's or individual's accounts or financial situationThe audit showed that the company had misled investors. b: the

Internal auditinternal control Internal auditinternal control
Internal audithinternal control 4
The Economist Financial Times CNBC Bloomberg Wall Street Journal The New York
COM Surrogate COM Surrogate

IT (Business Audit / Core Audit) IT

SMETAcapr SMETA 1.Announced 2.Semi-announced

For the semi-Announced audits, the audit windows shall range between 2 weeks and 2 months
AUDIT - Audit“”“”“”Audit
Assurance - Assurance
Chairman of the Board --- Chairperson of the Board
CEO - Chief
- The Economist Financial Times CNBC Bloomberg Wall Street Journal The New York
COM Surrogate
IT - IT (Business Audit / Core Audit)
SMETAcapr - SMETA 1.Announced 2.Semi-announced
For the semi-Announced audits, the audit windows shall range between 2 weeks and 2 months

audit,check,inspection,review Definition of audit (Entry 1 of 2) 1a: a formal examination of an organization's or individual's accounts or financial situationThe audit showed that the company had misled investors. b: the

Internal auditinternal control Internal auditinternal control Internal auditinternal control 4

- The Economist Financial Times CNBC Bloomberg Wall Street Journal The New York

COM Surrogate

IT - IT (Business Audit / Core Audit)

SMETAcapr - SMETA 1.Announced 2.Semi-announced

For the semi-Announced audits, the audit windows shall range between 2 weeks and 2 months

Related to audit working papers examples

Hong Kong, Chinese regulators agree deal on accessing Chinese audit papers (Reuters6y)
HONG KONG (Reuters) - Hong Kong's securities regulator will be able to see audit working papers when investigating mainland China-based companies, after it signed an agreement with Chinese authorities

Hong Kong, Chinese regulators agree deal on accessing Chinese audit papers (Reuters6y)
HONG KONG (Reuters) - Hong Kong's securities regulator will be able to see audit working papers when investigating mainland China-based companies, after it signed an agreement with Chinese authorities

Second- versus Third-party Audit Quality: Evidence from Global Supply Chain Monitoring (Harvard Business School2y) Ibanez, Maria R., Ashley Palmarozzo, Jodi L. Short, and Michael W. Toffel. "Second- versus Third-party Audit Quality: Evidence from Global Supply Chain Monitoring
Second- versus Third-party Audit Quality: Evidence from Global Supply Chain Monitoring (Harvard Business School2y) Ibanez, Maria R., Ashley Palmarozzo, Jodi L. Short, and Michael W. Toffel. "Second- versus Third-party Audit Quality: Evidence from Global Supply Chain Monitoring

Related Articles

- [cfa question bank level 1](#)
- [golf vw manual](#)
- [apex learning cheat sheet](#)

[Back to Home](#)