

## AUDIT DOCUMENTATION: CAS 230

### Objective

- The **objective** of the auditor is to prepare documentation that provides:
  - **Sufficient and appropriate** information to support the auditor's report; and
  - Evidence that the **audit was planned and performed in accordance with CASs**

### Requirements

- The auditor needs to prepare audit documentation on a **timely manner**
  - Documentation prepared after the audit work has been performed is likely to be less accurate than documentation prepared at the time the work is performed

### Form, Content and Extent of Audit Documentation

- The documentation should allow an **experienced auditor**, having no previous connection with the audit to understand the following:
  - 1) The **nature, timing, and extent** of the audit procedures performed to meet CAS
    - Characteristics of the specific items or matters tested?
      - Example:
        - For a procedure requiring inquiries of specific staff, the auditor may record the dates of the inquiries and the names and job designations of the staff
      - **Who performed** the audit work (procedure) and on what **date**?
      - If the work was reviewed; **who reviewed** the work and on what **date**?
    - 2) The **results of the procedures** and the **evidence obtained**
    - 3) **Significant matters** that arose during the audit, and the conclusions reached
- Document **discussions of significant matters** with management and the board/audit committee
  - Examples: minutes of meetings
- Even in a **one partner practice**, although the documentation may be less extensive, the partner should still ensure that documentation will allow an experienced auditor to understand because the audit documentation may be subject to review by external parties for regulatory or other purposes.

### Departure from a Relevant Requirement

- If in the rare case, the auditor **departs from a requirement in the CAS**, the auditor needs to document how the alternative procedure will achieve the aim of the CAS, and the reason for the departure

### Matters Arising after the Date of the Auditor's Report

- If in the rare case, **procedures are performed or new conclusions are drawn after the date of the audit report**, you need to disclose the following:
  - The circumstance encountered;
  - The new or additional procedure performed, audit evidence obtained, the conclusions reached and their effect on the auditor's report

- When and by whom the changes to the audit documentation were made and reviewed

#### Assembly of the Final Audit File

- **Audit file** = folders (physical or electronic) that contain the audit documentation for a specific engagement (also known as the **working paper file**)
- The final audit file should be completed within **60 days after the audit report date**
  - In this period no new audit procedures are performed or new conclusions reached
  - Only **administrative changes** can be made to the audit file during this 60 day period:
    - **Deleting** or discarding outdated documentation
    - **Sorting, collating** and **cross-referencing** working papers
    - Signing off on completion **checklists**
    - **Documenting** audit evidence that the auditor has already obtained
- Once the audit file is complete, must retain the audit file for at **least 5 years from the date of the audit report (or the date of group audit report if that is later)**