# Instructions

Document for each phase of the audit process the changes made to key decisions (where appropriate). Examples with suggested topics are provided to help you identify the key decisions taken in your audit file. All these topics do not necessarily apply to your situation (you can remove or add additional topics, as necessary). Adapt this template to your own needs and include links to existing working papers as needed.

# Engagement Management

| **Topics** | **Examples** | **Significant Judgment Decisions** |
| --- | --- | --- |
| Budget | * Decision made to scope out to remain on-budget;
* Decision made to reduce travel and/or contracts to remain on-budget;
* Decisions taken when above 15% of planned budget to reduce budget impact;
* Etc.
 |  |
| Team Composition | * Evaluation of team and engagement leader competencies;
* Decision made regarding changes to team’s composition;
* Independence considerations;
* Etc.
 | Link to the Engagement Risk Assessment (ERAT) template |
| Internal Specialists and experts | * Decision made to include or exclude internal and/or external experts (a consultant);
* Nature of supervision;
* Independence considerations;
* Etc.
 |  |
| Engagement Risk Assessment | * Decisions made regarding a new risk factor identified during the course of the audit and that was not initially planned;
* Decisions made regarding the complexity of the entity or the subject matter; the sensitivity of the audit subject;
* Decision made regarding concerns identified about management integrity and risks of fraud;
* Etc.
 | Link to the Engagement Risk Assessment (ERAT) template |
| Other | * Other decisions made during the engagement management.
 |  |

# Planning Phase

| **Topics** | **Examples** | **Significant Judgment Decisions** |
| --- | --- | --- |
| Audit Scope, Objective and Criteria | * Decisions made regarding key scoping decisions, including changes to the scope of the audit, the objective and/or criteria;
* Decision made regarding the choice of selected entities;
* Decision made to modify the content or the number of lines of enquiries;
* Decisions made regarding the subject matter risk assessment and understanding of controls;
* Decision made regarding the period covered by the audit;
* Etc.
 | Link to the Risk and Control Assessment (RCAT) template |
| Internal Consultation Disagreement | * Significant disagreement with internal specialists that occurred during the development of the Audit Logic Matrix and/or the audit programs;
* Etc.
 |  |
| Disagreement Between the Audited Entity and the Team | * Actions taken as a result of disagreement between the audited entity and the team on the Audit Plan Summary / Special examination plan (e.g. management responsibilities and suitability of criteria);
* Etc.
 |  |
| Other | * Other decisions made during the planning phase.
 |  |

# Examination Phase

| **Topics** | **Examples** | **Significant Judgment Decisions** |
| --- | --- | --- |
| Audit programs | * Decision made to change the evidence gathering methods;
* Decision made to drop a section of the audit program or criteria;
* Change in approach regarding sampling;
* Etc.
 |  |
| Internal Consultation Disagreement | * Significant disagreement with the internal specialists on the internal draft;
* Etc.
 |  |
| Access to information | * Actions taken to address the lack of access to information;
* Etc.
 |  |
| Evidence | * Decision made regarding data integrity;
* Reliance on internal audit work;
* Etc.
 |  |
| Changes in scope and approach | * Decisions to changes in audit scope and/or approach since finalization of the audit plan.
 |  |
| Disagreement Between the Audited Entity and the Team | * Significant actions taken to address entity’s disagreement with findings and key observations;
* Etc.
 |  |
| Other | * Other decisions made during the examination phase.
 |  |

# Reporting Phase

| **Topics** | **Examples** | **Significant Judgment Decisions** |
| --- | --- | --- |
| Drafting the Report | * Decision made to exclude work identified in the audit programs from the report;
* Etc.
 |  |
| Substantiation | * Decisions made regarding the audit documentation supporting the conclusions reached by the audit team.
 |  |
| Disagreement Between the Audited Entity and the Team | * Actions taken to address entity disagreement with the recommendations;
* Actions taken to address answers to recommendations provided by the audited entity;
* Actions taken to address entity refusal to provide written confirmation that all information requested was provided and/ or that the findings are factually based;
* Etc.
 |  |
| Audit conclusion | * Decisions related to nature and type of the audit conclusion (unmodified; qualified, adverse, disclaimer);
* Decisions related to any scope limitations.
 |  |
| Date of the report | * Rationale for the date chosen as date of report.
 |  |
| Jurisdiction  | * Rationale for jurisdiction for the issuance of the audit (included as part of the report template).
 |  |
| Other | Other decisions made during the reporting phase. |  |

# Post-Tabling

| **Topics** | **Examples** | **Significant Judgment Decisions** |
| --- | --- | --- |
| Audit File | * Extension to finalize the audit file;
* Change to audit documentation after the audit file has been finalized;
* Etc.
 |  |