6 October 2021

Appendix-5

QA Review Reporting Format

**Title Sheet**

|  |  |  |
| --- | --- | --- |
| Audit Engagement Profile | | |
| 1 | Name of Audit Engagement |  |
| 2 | Audited period |  |
| 3 | Audit Engagement Team | |  |  | | --- | --- | | **Audit Engagement Supervisor:** |  | | **Team Leader:** |  | | **Team Members:** |  | |  | |
| QA Review Profile | | |
| 1 | Duration of QA Review |  |
| 2 | QA Reviewer/s |  |
| 3 | QA Review Intimation Ref. No. |  |
| 4 | Date of QA Exit Meeting |  |
| 5 | Date of draft QA report shared with SAI for comments |  |
| 6 | Independent Reviewer of QA report |  |

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# Executive summary

* 1. Key messages of the QA review
  2. Summary of key findings (both positive as well as areas requiring further course of action), conclusions and recommendations

# Objective of QA review

# Scope of QA Review

# QA Review Methodology

# Findings

* 1. **General Findings:** report on both positive and negative findings in general *(derive from the conclusion on performing general QA review procedures and specific procedures (QA checklist) from the QA tool).*
  2. **Findings by audit phases (planning, conducting, and reporting) –** *(QAR findings may be presented by audit phases covering the following)***:**

5.2.1. Report on observations requiring further course of action *(from the tool where compliance statuses against those requirements are stated as ‘No’).*5.2.2. Report on areas of further improvement *(generally from where the compliance status is stated as ‘Yes’ but may still require some improvement)*.5.2.3. The causal factors and their effects of non-compliances to be given in *Annexure – A* *(this can be either presented here or in the form of annexure at the end of the report)*

(*The QA tool referred here is the Financial Audit QA tool – the reporting needs to be adjusted for performance and compliance audits based on the results generated from the respective tools)*

# Conclusions of the QA review

The conclusion may be formulated based on the QA review findings. The conclusion would provide a balanced view of what was done well and what could be improved in respective phases of the audit (**pre-engagement, planning, conducting, review and completion, and reporting**). *(For example: In planning phase of the audit, the audit team had identified and assessed the risks of material misstatements and have been documented accordingly as per the audit methodology. However, the audit team could improve the basis or the process of identifying the risks of material misstatements in the financial statements)*. *(the audit phases highlighted here refers to financial audit – modify this for performance and compliance audits where the audit phases are general comprise planning, conducting and reporting)*

# Recommendations

* 1. Suggestions for improvements to ensure compliance with ISSAI requirements and audit methodology. The recommendations should be clear, specific and will address the underlying causes of the findings and could include one or more of the following:
     1. taking appropriate remedial action in review and sign off;
     2. maintaining the link between risks and audit procedures;
     3. changes to the quality control procedures; and
     4. enhance audit methodology in specific areas.

Name and signature Name and signature

**QA Reviewer** **Team Leader**

**QA Review Team**

**Dated:**

# Annexure - A

**The causal factors and the effect of QA review findings requiring further course of action**

|  |  |  |  |
| --- | --- | --- | --- |
| Para No. | Observation in brief | Causal Factors | Effects |
| *(Trace from the QA review findings*) | *(Trace from the QA review findings*) | *Describe the factors leading to non-compliance of the requirements ISSAIs (eg. Weakness in methodology, methodology in place but not implemented, inadequate QC review within the Coop audit team, lack of supervision of the audit, auditors without necessary skills and experience)* | *Consequences or potential impact of review observation* |
|  |  |  |  |