

SA-220:- Quality Control For An Audit of Financial Statements

Difference b/w SA-220 & SQC-1

SQC - 1	SA-220
→ It applies to entire Firm & Fixes the Responsibility of Firm to be assumed by CEO OR Managing Partners.	→ It applies to a particular Audit Engagement & engagement partner takes Responsibility of the same.
→ It is applicable to audits, Review of Financial Info & other Assurance & Related Service Engagements.	→ It is applicable to Audit Engagements only.
→ It Relates to setting up of a quality control systems consisting of Policies & Procedures For Firm as a whole.	→ It Deals with Responsibilities of Engagement Teams to implement quality Control Procedures that are applicable to audit Engagements.
→ It Pertains to establishing a system of quality Control Designed to Provide Firm with a Reasonable Assurance that a Firm & its personnel comply with Professional Standards & Regulatory & Legal Requirements so that Reports issued by Firm OR Engagement Partners are appropriate in circumstances.	→ It is premised on the basis that the Firm is subject to SQC-1. Therefore, SQC-1 is a sine qua non for a applicability of SA-220. It is within overall context of a Firm's system of quality control, engagement Teams implement quality Control Procedures applicable to audit Engagements.

Element of a system of a Quality Control

1. Acceptance & Continuance of Client Relationships
2. Human Resources
3. Assignment of Engagement Teams
4. Ethical Requirements
5. Leadership Responsibility
6. Engagement Performances
7. Monitoring
8. Quality Review

Downloaded From www.castudynotes.com

1. Acceptance & Continuance of Client Relationships

- Integrity of the Principle Owners
 - Business Reputation → client Attitude For AS & Internal Control
 - Operations
 - Firm Fee
 - Limitation on Scope of Work
 - Money Laundering
 - Reason of Proposed Appointment
- Competence & Capability of the Engagement Team (NTE)
 - Knowledge of Industry | Subject Matter
 - Experience with Regulatory Requirements
 - Sufficient Personnel + Expert + EQCR
 - Availability of Time → i.e. To Complete on Time
- Ethical Requirements
- Significant Matters

Additional Points:

(a) Conflict of Interest between the Firm & client

- Resolve before Accepting the Engagement
- Conflict after Acceptance
 - consider Professional & Legal Responsibility
 - Reporting Requirements → TCWG/Shareholders
 - Possibility of withdrawing

(b) Policy For withdrawing

- Discuss with Management/TCWG Regarding Firm Action
- If Firm withdraw → Discuss with Management/TCWG including Reasons For withdraw
- consider Professional & Legal Requirements
- Document Significant Issue

(C) Ethical Requirement

- obtain Information
- Evaluate Information
- Take Appropriate Action

Class Notes Prepared by
CA Kapil Goyal Sir's Student
Vivek Agrawal

2. Human Resources Policy & Procedure (SBC-1)

- | | |
|------------------------|----------------------|
| Recruitment | → Compensation |
| Performance Evaluation | → Capability |
| Promotion | → Competence |
| Personal Needs | → Career Development |

As per SBC-1: Firm Policy For,

1. Engagement Partner Role → Communicated to TCWG/Management
2. Engagement Partner → capability, competence, Authority & Time to Perform
3. Responsibility → Clearly Communicated to Partner

3. Assignment of Engagement Team

- ↳ Team + Auditor Expert (SA-620)
- ↳ Appropriate Competence & Capability to
- Perform Audit as per Professional Standard & Regulatory & Legal Requirement
- Enable an Appropriate Report.

4. Independence & Ethical Requirement

- ↳ Refer SA-200

5. Leadership Responsibility

- Compliance with Professional Standard & Legal & Regulatory Requirements
- Compliance with Firm Quality Control Policy
- Issue an Appropriate Audit Report.
- Quality is Essential.

Downloaded From www.castudynotes.com

6. Engagement Performance

- Direction, Supervision & Performance of Engagement Team in compliance with Professional Standard, Legal & Regulatory Requirement
- Report are being Appropriate.
- Review: In accordance with Firm Review Policy & Procedure. Sufficient & Appropriate Audit Evidence obtained before Date of Audit Report.
- Consultation: Appropriate Consultation on Difficult Matters
 - within the Team & between the Team
 - Nature & Scope of Consultation Agreed
 - Conclusion Implemented.

7. Engagement Quality Control Review (EQCR)

Partner	Engagement Quality Control Reviewer
→ Quality Control Reviewer has been Implemented	→ Review → Financial Statement → Proposed Audit Report
→ Discuss Significant Matters	→ Discuss Significant Matters
→ Not Sign Audit Report until Review Completed.	→ Review Documentation. → Review Conclusion. → Review Ethical Requirement including independence → Review Consultation Taken
IF Differences of Opinion →	check Firm Policy

8. Policy For Consistency Of Quality & Monitoring:

- Matters to be included in Policy:
- How Engagement Team are briefed For Understanding of Objective.
 - Process of complying with Engagement Standards.
 - Process of Engagement Supervision, Staff Training
 - Methods of Review of Work Performed, Significant Judgement
 - Appropriate Documentation & Process to keep All Policy & Procedures.

9. Purpose of Monitoring

- Adherence to Professional Standard & Legal & Regulatory Requirements.
- Whether the Quality Control System has been appropriately Designed & Effectively Implemented.
- Reports are Appropriate
- Follow up so that Necessary Modifications are Promptly Made

1. Meaning of Audit Documentation

Record of Audit Procedures Performed, Relevant Audit Evidence Obtained & Conclusions Reached.

2. Audit Documentation Include

Audit Programmes, Analysis, Emails, Summary of Significant Matters

3. Purpose of Audit Documentation

It helps in

- Planning, Quality Control Review
- Deciding Responsibility of Work
- For Future Reference
- Legal Requirement

4. Basic Requirement Working Papers should be Designed & Organised

- In Standard Format
- Nature of Audit, Procedures Performed
- Significant Matters & How they Resolved
- Date, Signed & Conclusions Reached
- should Maintain at least for 7 Year
(From the Date of Audit Report / Group Audit Report)
- Maintain Confidentiality, unless Required by Law & Regulations

5. Assembly of Final Audit File

- Assembly of Final Audit File is → 60 Days after the Date of Audit Report.
- No New Audit Procedures can be Performed → Except Admin Process.
- Matters arising after The Date of Auditor's Report
 - Perform Additional Audit Procedures
 - Document Circumstances Encountered
 - Who Reviewed & How Documented→ Refer SA-560

6. General Concepts

- Significant Matters & Professional Judgement
- Ownership of Audit Documentation
- Working Paper File
 - ↳ Permanent → Example :- MOA/AOA, Agreement
 - ↳ Current → Annual Appointment / Planning Evidence
- Audit Note Book
- Completion Memorandum or Audit Documentation Summary
 - ↳ Summary of Significant Matters
 - ↳ how they were Resolved

PART - A

Meaning of Fraud:-

Fraud is an Intentional Act by one OR More Individuals among Management, TCWG, Employees, OR Third Parties, involving the use of Deception to obtain an unjust OR Illegal Advantage.

Types of Intentional Misstatements

Misstatements Resulting from Fraudulent Financial Reporting

Misstatements Resulting from Misappropriation from Assets

(a) Misstatements Resulting from Fraudulent Financial Reporting	(b) Misstatements Resulting from Misappropriation from Assets
<p>Fraudulent Financial Reporting may be Accomplished by following:-</p> <ul style="list-style-type: none"> → Manipulation, falsification or Alteration of Accounting Records → Misrepresentation In OR Intentional Omission from, FS of events OR Trns → Intentional Misapplication of Accounting Principles 	<p>Misappropriation of Assets can be Accomplished by following:-</p> <ul style="list-style-type: none"> → Embezzling Receipts → Stealing Physical Assets OR Intellectual Property → causing an entity to pay for Goods & Services Not Received → Using an entity's Assets for Personal Use
<p>Risk Factors Relating to Misstatements arising from Fraudulent Financial Reporting</p>	<p>Risk Factors Relating to Misstatements arising from Misappropriation of Assets</p>
<p>Incentives Opportunities Attitudes Pressure Rationalizations</p>	<p>Incentives Opportunities Attitudes Pressure Rationalizations</p>
<p>(a) Incentive Pressure:-</p> <ul style="list-style-type: none"> → Financial stability or Profitability is Threatened by Economic, Industry OR Entity operating Conditions:- <ul style="list-style-type: none"> • High Degree of Competition • High vulnerability to Rapid changes • Significant Declines in customer Demand • Operating losses making the Threat of Bankruptcy. • Recurring Negative Cash Flows → Excessive Pressure exists for Management to Meet Requirements OR Expectations of Third Parties due to the following:- <ul style="list-style-type: none"> • Need to obtain Additional Debt/ Equity Financing to stay Competitive 	<p>(a) Incentive Pressure:-</p> <ul style="list-style-type: none"> → Personal Financial obligation, may create pressure on Management OR Employees to Misappropriate those Asset. Adverse Relationship b/w the entity & employees may Motivate those employees to Misappropriate those Assets. For example, Adverse Relationship may be created by following:- <ul style="list-style-type: none"> • Known OR Anticipated Future Employees Layoff. • Recent OR Anticipated changes to Employees compensation OR Benefits Plan. • Promotions, Compensation, OR other Rewards inconsistent with Expectations.

- Marginal ability to Meet Exchange Listing Requirements OR Debt Repayment
- Perceived OR Real Adverse effects of Reporting Poor Financial Results on Significant Pending Transactions.

Info available Indicates that Personal Financial Situation of Management OR TCWG is weakened by entity's Financial Performance arising from the Following:-

- Significant Financial Interest in the entity.
- Personal Guarantees of Debts of the entity.
- Excessive Pressure on Management OR Operating Personnel to Meet Financial Targets.

Class Notes Prepared by
CA Kapil Goyal Sir's Student

Vivek Agrawal

(b) Opportunities

The Nature of Industry OR entity's Operations provides opportunities to engage in fraudulent Financial Reporting that can rise from the Following:-

- Significant Related Party Transactions Not in Ordinary Course of Business.
- Assets, Liabilities, Revenue OR Expenses based on significant Estimates.
- Significant Operations located OR conducted across the International Border

There is a complex OR unstable Organization structure, as evidenced by followings:-

- Difficulty in Determining Organization OR Individuals that have controlling interest in the entity.
- High Turnover of Senior Management, Legal Counsel OR TCWG

(b) Opportunities

Opportunities to Misappropriate Assets increase when there are the Following:-

- Large Amounts of Cash in Hand.
- Inventory Items that are small in size, of high value, or in high demand.
- Easily Convertible Assets, such as bearer Bonds, Diamonds OR Computer Chips.
- Fixed Assets which are small in size, marketable OR lacking observable identification of ownership.

Inadequate internal control over Assets may increase the susceptibility of Misappropriation of those Assets. :-

- Inadequate segregation of Duties OR Independent checks.
- Inadequate oversight of Senior Mgmt.

<ul style="list-style-type: none"> • Overly complex Organizational Structures. <p>Internal Control components are Deficient as a Result of Following:-</p> <ul style="list-style-type: none"> • Inadequate Monitoring of Controls • High Turnover Rates or Employment of Accounting, Internal Audit OR IT • Accounting & Information Systems that are not effective, including situations involving significant deficiencies in Internal Control. 	<p>Expenditures.</p> <ul style="list-style-type: none"> • Inadequate Record Keeping with Respect to Assets. • Lack of complete & timely Reconciliation of Assets. • Lack of Timely & Appropriate Documentation of Transactions. • Lack of Mandatory vacations for Employees performing Key Control Functions.
<p><u>(c) Attitudes Rationalizations</u></p> <ul style="list-style-type: none"> • Non-Financial Management's excessive participation in OR pre-occupation with selection of Accounting Policies OR Determination of significant Estimates. • Excessive Interest by Management in Maintaining OR Increasing entity's stock Price OR Earnings Trend. • Low Morale among Senior Management. • Owner-Manager makes No Distinction between personal & Business Transaction 	<p><u>(c) Attitudes Rationalizations</u></p> <ul style="list-style-type: none"> • Disregard for Need for Monitoring OR Reducing Risks Related to Misappropriation of Assets. • Behaviours Indicating Displeasure OR Dissatisfaction with the entity OR its Treatment of the Employee. • Changes in Behaviours OR Lifestyle that may indicate Assets have been Misappropriated. • Tolerance of Petty Theft.
<p><u>Possible Sources for Fraudulent Financial Reporting:-</u></p> <ul style="list-style-type: none"> • Recording Fictitious Journal Entries, particularly close to the end of an Accounting Period. • Inappropriately adjusting Assumptions & changing Judgements used to estimate Account Balances. • Omitting, advancing OR Delaying Recognition in the FS of Events OR Transactions that have occurred during the Reporting Period. • Concealing OR Not Disclosing, Facts that could affect the amounts Recorded in the Financial statements. 	

PART - B

Why Management Do Fraud

- Incentive :- Bonus to Employees For More Sales
- Ability of People :- If you will not Achieve this Target, Bonus will not Paid
- Opportunity to Commit Fraud :- Weak Internal Control

Situation	Management	Auditor
Responsibility for the Prevention & Detection of Fraud	<p><u>Primary Responsibility - Management & TCWG</u></p> <p>Management & TCWG, should place a strong emphasis on Fraud Prevention, Detection & Correction</p>	<p>An Auditor Responsible For Obtaining Reasonable Assurance that the FS taken as a whole are free From Material Misstatement</p> <ul style="list-style-type: none"> • SA-200 Inherent Limitation • Risk of Fraud is Higher Than Errors • Intentional Fraud • Auditor should Maintain Professional Skepticism

Class Notes Prepared by
CA Kapil Goyal Sir's Student
Vivek Agrawal



(a) Risk Assessment Procedure

- Enquiring Management & other's within The Entity
The Auditor shall make inquiries of Management Regarding:-
- Management's Assessment of the Risk of Material Misstatement due to Fraud;
 - Management's Process for Identifying & Responding to the Risks of Fraud in the entity. Including any specific Risk of Fraud.
 - Management's communication, if any, TCWG &
 - Management's communication, if any, to Employees, Regarding its views on business Practices & Ethical Behaviour.
 - For those entities that have an Internal Audit Function, The Auditor shall make inquiries of Internal Auditor.

Downloaded From www.castudynotes.com

Enquiring Those charged with Governance:·

- He shall obtain an understanding of how TCWG supervise Management's Processes.
- The Auditor shall ask TCWG whether They have knowledge of any fraud affecting the Entity.

(b) Identification & Assessment of ROMM

- In accordance with SA-315, The auditor shall Identify & Assess the ROMM due to Fraud at the Financial Statement level, & at Assertion level for classes of Transactions, Account Balances & Disclosures.
- The Auditor shall obtain an understanding of entity's Related Controls including control Activities, Relevant to such Risks.

(c) Response to ROMM due to Fraud

Overall Response as per SA-330

The Auditor shall:·

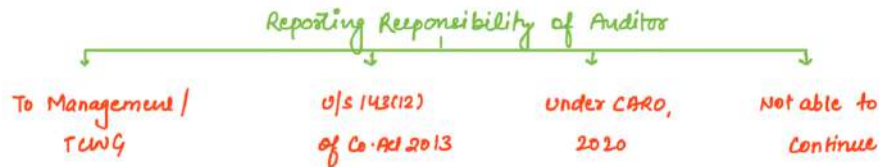
- Assign & Supervise Personnel as per Their Capability
- Evaluate whether Accounting Policies adopted by the entity indicate Fraudulent Financial Reporting Resulting from Management's Effort to Manage Earnings &
- Incorporate Surprise Element in the selection of NTE of Audit Procedures.

Response to Assessed ROMM due to Fraud at Assertion Level

- Perform Further Audit Procedures
- If Auditor Identify Mis-statement then consider whether such a Misstatement is Indicative of Fraud
- Re-evaluate the Assessment of ROMM due to Fraud & its Resulting impact on the NTE of Audit Procedures.
- Evaluate the implications for the Audit.

Join Us on Telegram http://t.me/canotes_ipcc

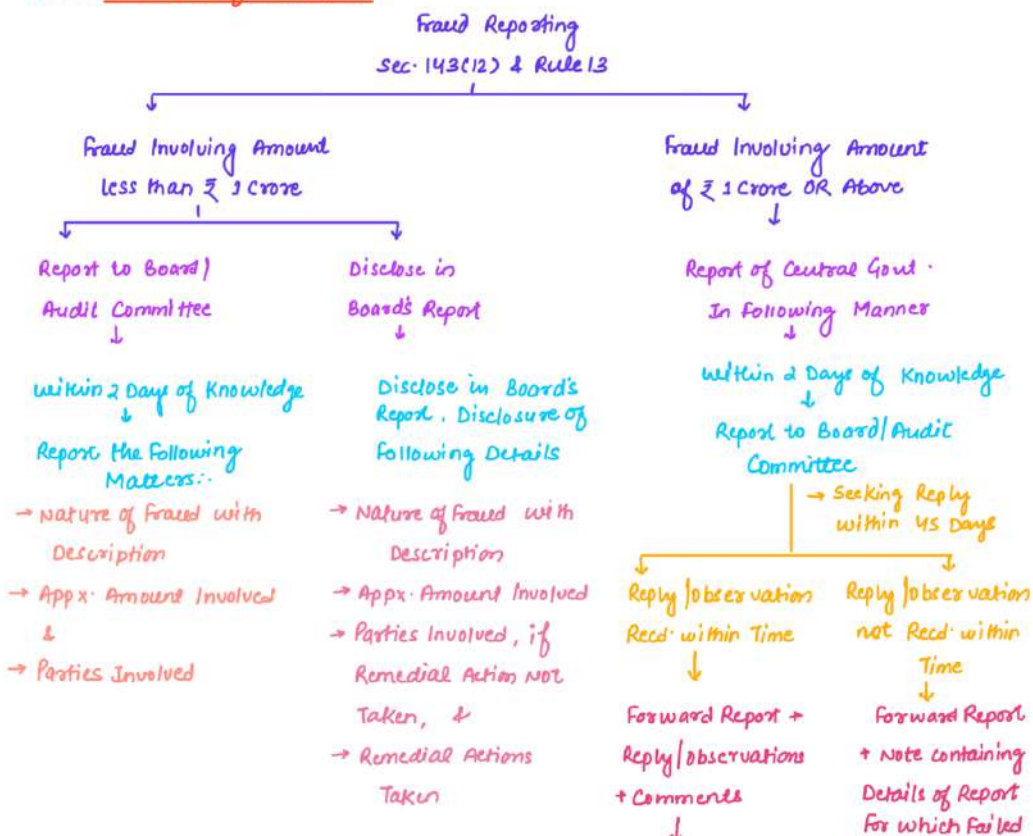
- It has disclosed the Auditor its knowledge of Fraud or suspected Fraud affecting the entity involving:
 - (a) Management
 - (b) Employees who have significant Role in Internal control: OR
 - (c) Other
- It has Disclosed to the Auditor its knowledge of any Allegations of Fraud, or suspected Fraud, affecting the entity's Financial Statements



(a) To Management / TCWG:-

- If the auditor has Identified a Fraud OR has Indication of Fraud, The Auditor shall communicate these Matters on a timely basis to the Appropriate level of Management.
- The Auditor shall communicate with TCWG any other Matters Related to Fraud that are, in the auditor's judgement, Relevant to their Responsibilities.

(b) U/s 143(12) of Co. Act, 2013:-



(C) Under CARO, 2020:

The Auditor is also Required to Report as per clause (xi) of Para 3 of CARO, 2020, whether any fraud by the company OR any fraud on the company by its officers or employees have been noticed OR Reported during the year, If Yes, The Nature & The Amount Involved is to be Indicated.

(d) Not able to Continue:

The Auditor shall:

- Determine the Professional & legal Responsibilities Applicable in the Circumstances including whether there is a requirement for the Auditor to Report to person OR Persons who made the Auditor Appointment, OR in some cases, to Regulatory Authorities.
- Consider whether it is appropriate to withdraw from the engagement; &
- If the Auditor withdraws:
 - Discuss with the Appropriate Level of Management & TCWG, The Auditor's withdrawal from the engagement & the Reasons for the withdrawal &
 - Determine whether there is a Professional OR legal Requirement to Report to person OR Persons who made the audit appointment OR, in some cases, to Regulatory Authorities, The Auditor's withdrawal from the engagement & the Reasons for the withdrawal.

Downloaded From www.castudynotes.com

SA-250: Consideration of Laws & Regulations In an Audit of Financial Statements

Types of Laws

Laws & Regulation that has Direct Effect on FS



→ The Auditor's Responsibility is to obtain S&A Audit Evidence about compliance with the Provisions of those Laws & Regulations.

→ The auditor shall obtain General Understanding of:

(a) The legal & Regulatory Framework applicable to the entity & the industry OR Sector in which the entity operates &

(b) How entity is complying with that Framework.

Other Laws & Regulation are to be complied by Management but do not have Direct Effect on FS



→ The Auditor's Responsibility is limited to undertaking specified Audit Procedures to help identify Non-Compliance with those Laws & Regulations that may have a Material effect on FS.

→ The auditor shall perform the following Audit Procedures to identify instances of Non-Compliance:

(a) Inquiring of Management &
(b) Inspecting Correspondence, if any, with the Relevant Licensing OR Regulatory Authorities.

Audit Procedures when Non-Compliance is Identified OR Suspected

The auditor shall obtain:

→ An understanding of the Nature of the act & the circumstances in which it has occurred &

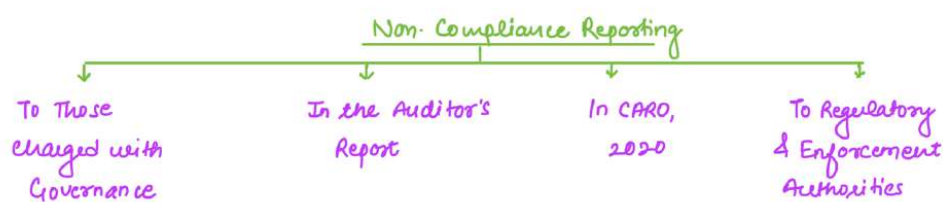
→ Further Information to evaluate the Possible effect on the FS.

- If the auditor suspects there may be a Non-Compliance, The auditor shall discuss the Matter with Management & TCWG.
- If Management OR TCWG does not provide sufficient Information the auditor shall consider the Need to obtain legal Advice.
- If sufficient Information about suspected Non-compliance can not be obtained, The auditor shall evaluate the effect of the lack of S & A Audit evidence on Auditor's Opinion.

Downloaded From www.castudynotes.com

The Following Matters, it may also be an Indication of Non-Compliance with Laws & Regulations:-

- Investigations by Regulatory Organizations & Government Departments OR Payment of Fines OR Penalties.
- Payment For Unspecified Services OR loans to consultants, Related Parties, Employees OR Government Employees.
- Unusual Payments towards legal & Retainership Fees.
- Unusual Transaction with companies Registered in Tax Heavens.
- Unauthorized Transactions OR Improperly Recorded Transactions
- Adverse Media Comment.



(a) To TCWG:-

- Unless All of TCWG are involved in the Management of entity
- The auditor shall communicate as soon as practicable with TCWG.
- Matters Involving Non-Compliance with Laws & Regulations that came to auditor's Attention.

- Where NO Higher Authorities exists, or if the auditor believes that the communication may not be acted upon, The auditor shall consider to obtain legal Advice.

(b) In the Auditor's Report:-

- Modify the Audit Report as per SA-705.

(c) In CARO-2020

- If Non-compliance belongs to Statutory Dues, It should be Reported.

(d) To Regulatory & Enforcement Authorities

- Auditor shall determine whether the auditor has a Responsibility to Report the Identified OR Suspected Non-Compliance to parties outside the entity.

Class Notes Prepared by
CA Kapil Goyal Sir's Student
Vivek Agrawal

Join Us on Telegram http://t.me/canotes_ipcc

Role of Communication:-

- Understanding Matters Related to the Audit in context, & in Developing a constructive working Relationship, while Maintaining the Auditor's Independence & Objectivity.
- Obtain Relevant Information from TCWG to understand the Entity.
- Understand the TCWG Responsibility Relating to Financial Reporting to Reduce the ROMM.

Auditor Does Not Relieve from his Responsibility if Management Communicated the Same Information to TCWG.

<u>Objective of Communication</u>	<u>Matters to be Communicated</u>
<ul style="list-style-type: none">• Auditor Responsibility• Planning, Scope & Timing• Obtain Relevant Information• Provide Observation on Timely Basis.• Effective Communication between Auditor & TCWG	<ul style="list-style-type: none">• The Auditor's Responsibilities in Relation to the Financial Statements Audit. Linking with SA-200.• Planned Scope & Timing of Audit.• Significant Findings From Audit• Auditor Independence• Significant Difficulties, if any, Encountered During the Audit

Significant Difficulties encountered During the Audit may Pclude such Matter as:-

- Significant Delays by Management, the unavailability of entity Personnel, or unwillingness by Management to Provide Information Necessary for the Auditor to Perform the Auditor's Procedure
- An unreasonably Brief time within which to complete the Audit.
- Extensive unexpected Effort Required to obtain Sufficient Appropriate Audit Evidence.
- The unavailability of Expected Information.
- Restriction Imposed on Auditor by Management.
- Management's unwillingness to make OR extend its Assessment of entity's ability to continue as a Going Concern when Requested.

The Communication Process

- Form, Timing & Content
- In Written
- If Communication Process is not Effective - Effect on Fs & Appropriate Action
- Documentation

Class Notes Prepared by
CA Kapil Goyal Sir's Student
Vivek Agrawal

Downloaded From www.castudynotes.com

SA-265:- Communicate Deficiencies in Internal Control to TCWG

Indicators For significant Deficiencies:-

- Evidence of Ineffective Aspect of Control Environment.
- Entity's Risk Assessment Process - Absent/ Ineffective.
- Ineffective Response to Identified significant Risk.
- Correction of Prior Period Misstatements arising due to Fraud/Error.
- Management Inability to oversee Financial Statements Preparations.

Class Notes Prepared by
CA Kapil Goyal Sir's Student
Vivek Agrawal

Requirements:-

1. The auditor shall Determine whether The Auditor has Identified One OR More Deficiencies in Internal Control.
2. If the Auditor has Identified One OR More Deficiencies in Internal Control, The Auditor shall Determine, they constitute significant Deficiencies.
3. The Auditor shall communicate in writing significant Deficiencies to TCWG on a timely basis. The auditor shall also communicate to Management at an appropriate level of Responsibility on a timely Basis:-
 - (a) In writing, significant Deficiencies in Internal Control that the auditor has communicated OR intends to communicate to TCWG.
 - (b) Other Deficiencies, in Internal Control identified that have not been communicated to Management by other Parties & that, in the Auditor's Professional Judgement, are of sufficient importance to Merit Management's Attention.
4. The Auditor shall include in written communication of Significant Deficiencies in Internal Control (Draft Letter of Weakness)
 - (a) A description of Deficiencies & an Explanation of their Potential Effects &
 - (b) Sufficient information to enable TCWG & Management to understand the context of the communication.

In Particular, The Auditor shall Explain that :-

- The Purpose of audit was to express an opinion on the Financial Statements
- The audit included consideration of Internal Control Relevant to the Preparation of the Financial Statements in order to Design Audit Procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the Effectiveness of Internal Control &
- The Matters being Reported are limited to those deficiencies that the Auditor has identified during the Audit & that the Auditor has concluded are of sufficient importance.

Join Us on Telegram http://t.me/canotes_ipcc

SA-299:- Joint Audit of Financial Statements

SA-299:- Audit Planning, Risk Assessment & Allocation of Work.

- Partners & other key members should be involve in planning.
- Jointly Establish Audit Strategy
- On the Basis of Strategy, Develop Audit Plan

- Scope & Aspects of Audit
- Common Audit Areas
- Reporting objective to Decide NTE
- Communicate Significant Matters
- Result of Preliminary Engagement Activities
- NTE of Resources Necessary to Perform

Class Notes Prepared by
CA Kapil Goyal Sir's Student
Vivek Agrawal

→ Allocation of Work

- Divide by Mutual Discussions
(E.g:- Identified Unit OR Specified Areas)
- Division is Not Possible then Decide on the Basis of
(E.g:- Assets, Liability, Income & Expenditures)

→ ROMM Communicate with Each Other

→ Discuss NTE of Audit Procedures Related to



→ Obtain Common Engagement letter & Common MRL.

→ Sign Work Allocation Document & Communicate to TCWG.

Responsibility & Co-ordination among Joint Auditors

- Auditor Responsible for Work Allocated to him.
- Auditor Responsible to Study & Evaluation of System of Internal Control.
- All The Joint Auditor shall be Responsible for, Individually
 - Work which is Not Allocated
 - Planning Activities
 - Common Decisions
 - Matter Noticed by One Auditor & Agreed by others
 - Financial Statements Comply with
 - Relevant Financial Reporting Procedures
 - Relevant Statutes
 - other legal & Regulatory Framework
 - Audit Report Comply with
 - SA's
 - Relevant Statutes
 - Relevant Pronouncement of ICAI.

Audit Conclusions & Reporting:-

- Issue Common Audit Report Like:- Reliance
- If Differences in Opinion, Issue Separate Audit Report
 - Joint Auditor is not bound by Majority of other Auditor
- In case of Dis-agreement, Make a Note in other Matter as per SA-706.