### RISK OF MATERIAL MISSTATEMENT ON A FINANCIAL STATEMENT LEVEL

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| --- | --- | --- | --- | --- | --- |
| **Auditee:** |  | **Reviewed by:** | **Name** | **Rank** | **Date** |
| **Period end:** |  | **Level 1** |  |  |  |
| **Prepared by:** |  | **Level 2** |  |  |  |
| **Rank:** |  | **Level 3** |  |  |  |
| **Date:** |  |  |  |  |  |

| **Working paper where the risk was identified** | **Risk of material misstatement(s) identified**  *[Include details on each risks identified for the working paper*  ***Include each risk separately]*** | **Audited component(s) on what the risk has an impact**  *[Consider whether the risk impacts on an audited component. Include the audit component and transfer to the system description of the relevant component]* | **Is further work required to identify the impact of the risk on audited component?**  **Yes / No**  *[If yes, include working paper reference]* | **WP ref**  *[refer to system description for the relevant component or wp where the further work is performed]* |
| --- | --- | --- | --- | --- |
| Prior years’ audit matters |  |  |  |  |
| Preliminary analytical review |  |  |  |  |
| Review of internal audit |  |  |  |  |
| Audit committee checklist |  |  |  |  |
| Fraud checklist |  |  |  |  |
| Internal Control Questionnaire |  |  |  |  |
| IT Internal Control Questionnaire |  |  |  |  |
| Sustainability of services checklist |  |  |  |  |
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|  |  |  |  |  |

Conclusion

**Risk of material misstatement at financial statement level is:**

*[Select appropriate option e.g. High; Medium or Low risk]*

**Confirm whether the RMM identified here is the same as the risk score which was included in the Annual Overall Audit Plan. Refer to Module 1 Part 3 for more detail.**

When RMM is concluded to be high indicate which of the following overall responses will be applied:

| **Overall responses** | **Yes** | **No** | **Wp references** |
| --- | --- | --- | --- |
| Apply increased the level of professional scepticism during the audit. Remind audit staff about this principle. |  |  |  |
| Assign higher level / better qualified / experienced audit staff to specific tasks or consider the use of experts |  |  |  |
| Increased level / frequency of staff supervision and review |  |  |  |
| Increase the unpredictability of timing of audit programs performed |  |  |  |
| Vary the timing of audit programs performance (interim date or after financial year-end) |  |  |  |
| Obtain more persuasive audit evidence i.e. use external rather than internal confirmations |  |  |  |
| Perform additional audit programs |  |  |  |