

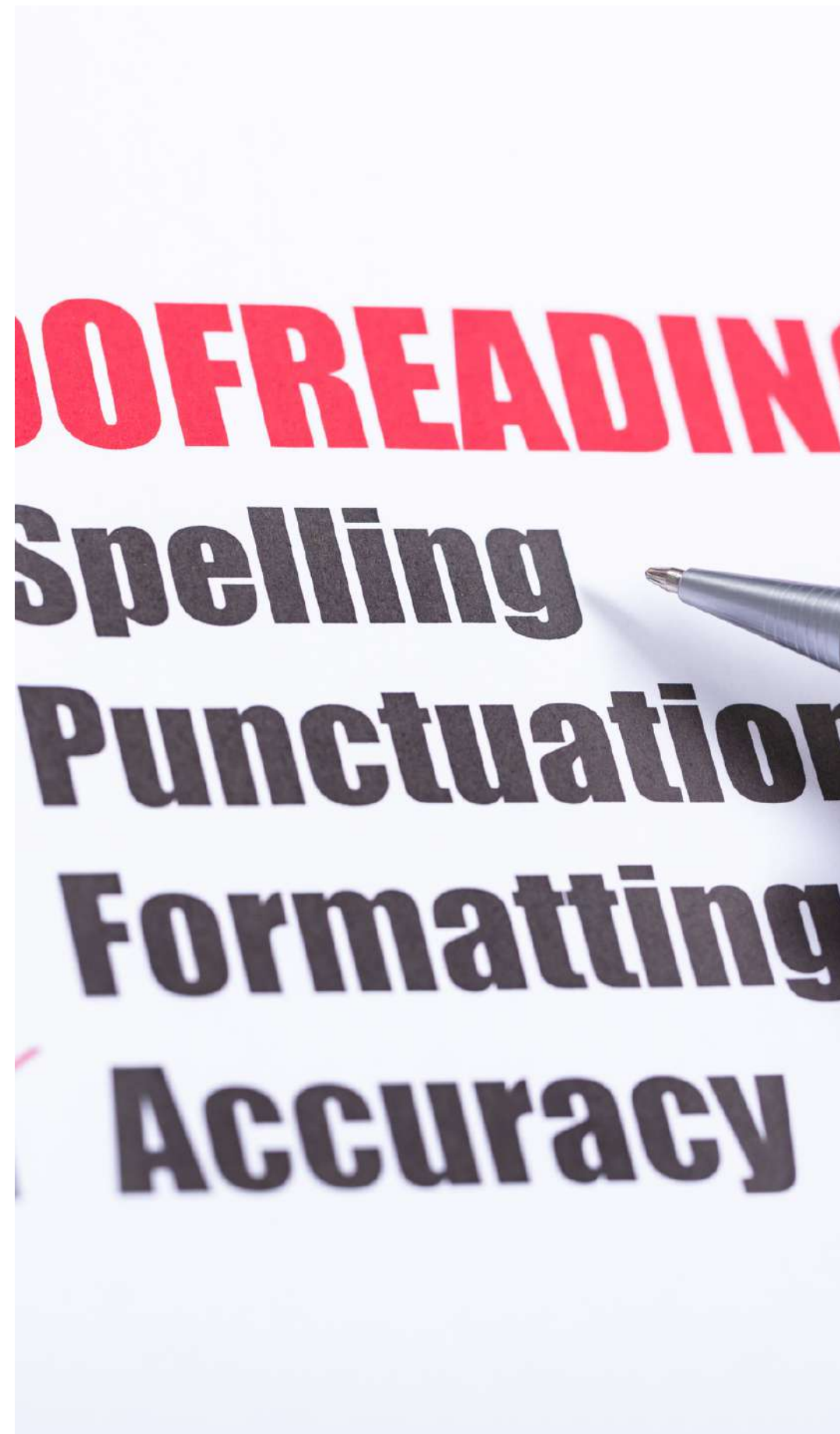
The Institute of Chartered Accountants of India Southern India Regional Council

DOCUMENTATION BANK AUDIT

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23rd March 2023





01

Introduction

Audit documentation is necessary for evaluating the effectiveness of internal controls.

02

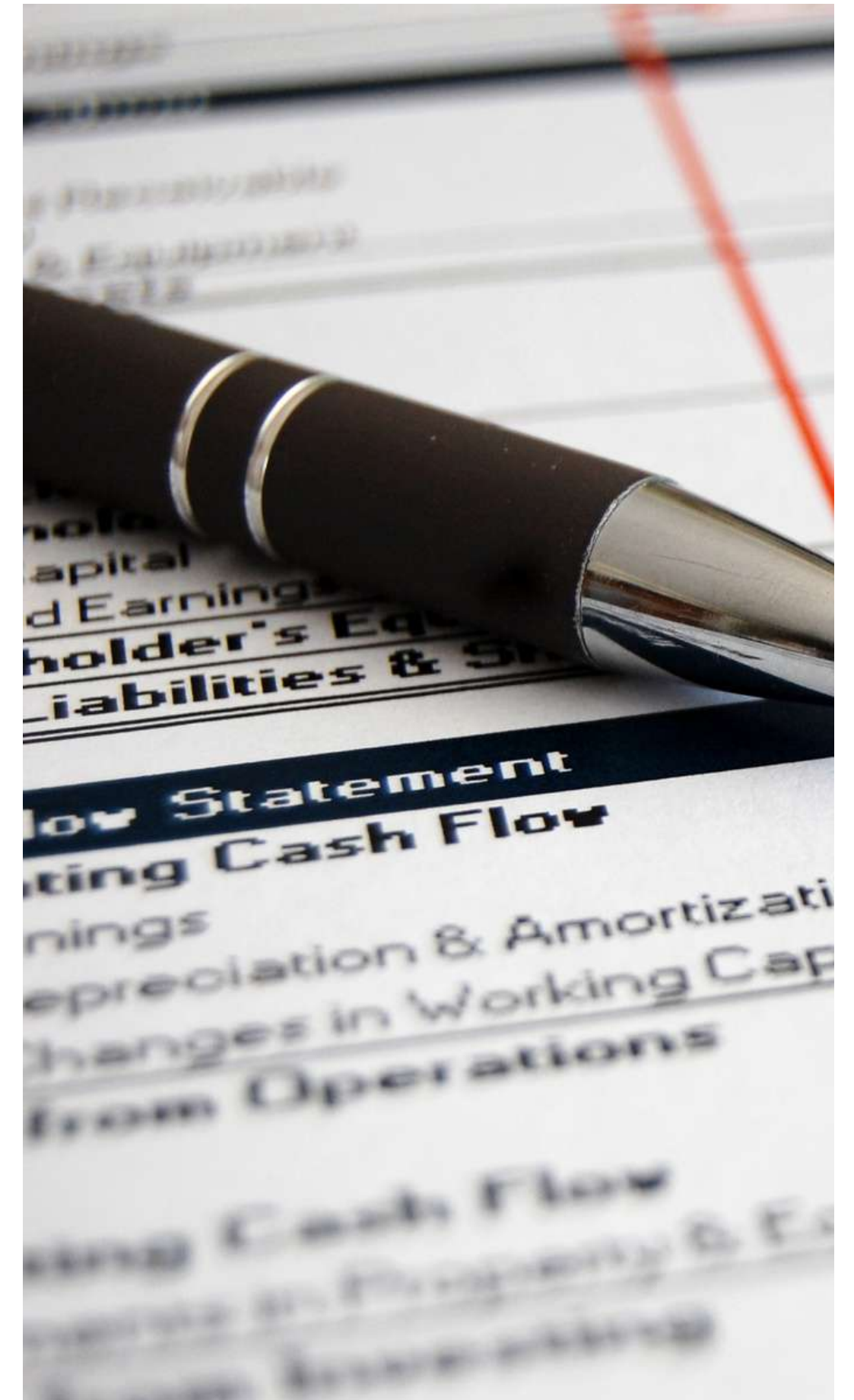
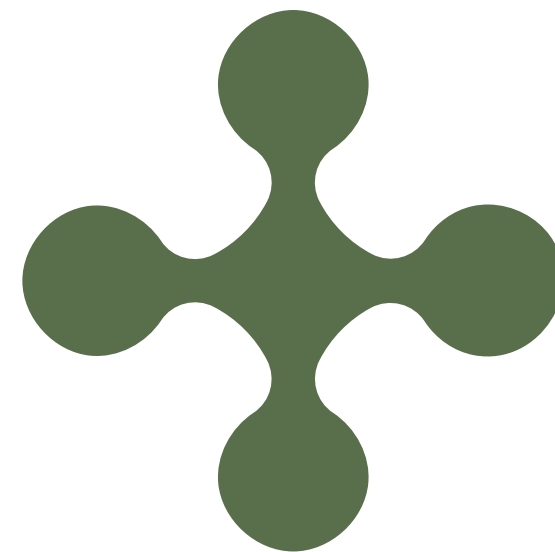
A checklist for bank branch audits should include supporting documents for transactions, correspondence, and legal matters.

03

Audit documentation should be retained for a period of at least seven years.

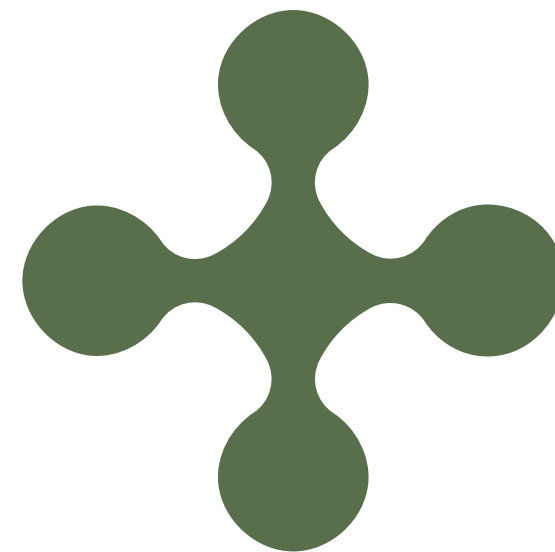
Objectives of Bank Branch Audit

Bank branch audit aims to ensure that financial statements are true and fair, transactions are accurate, and controls are effective.



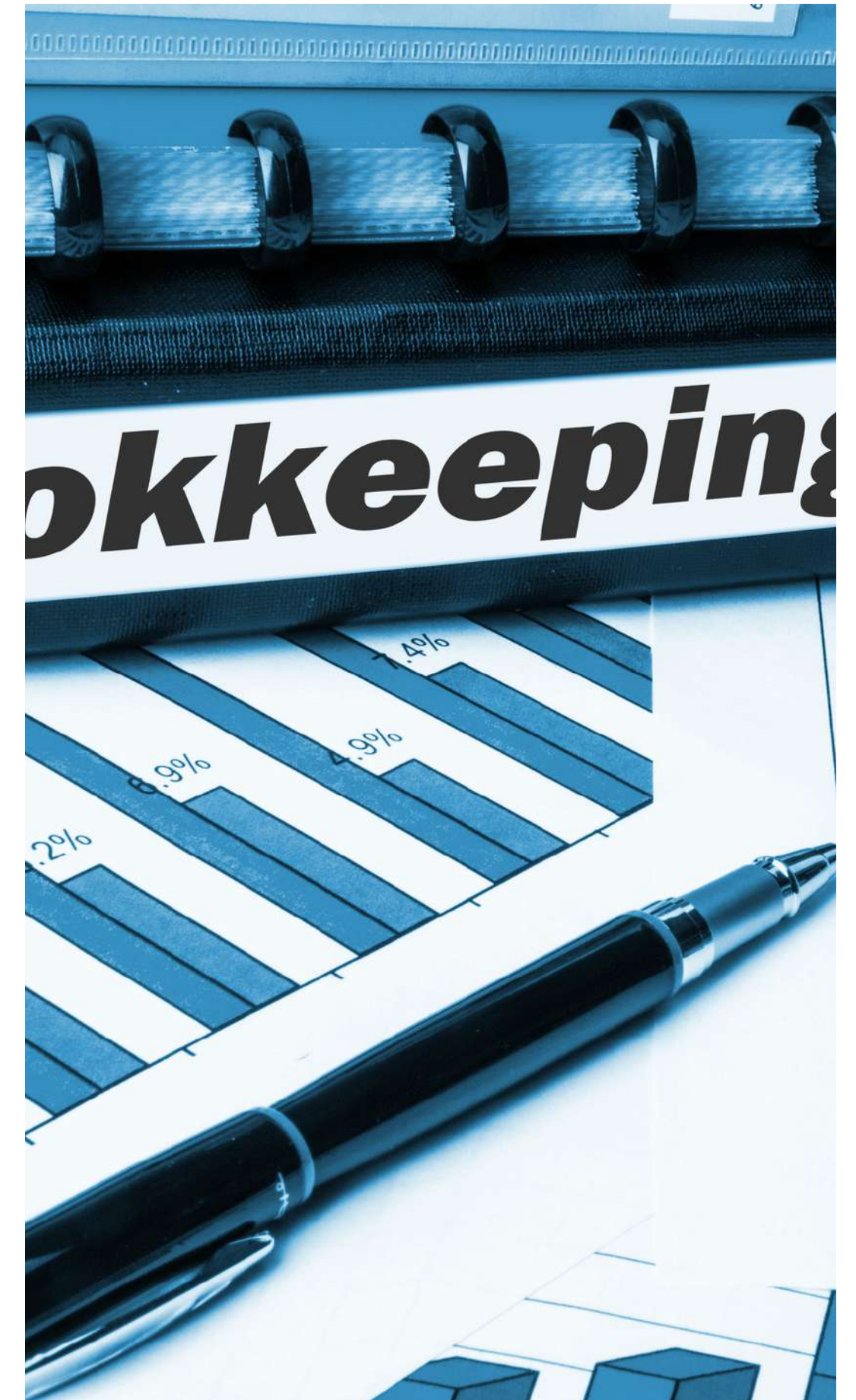
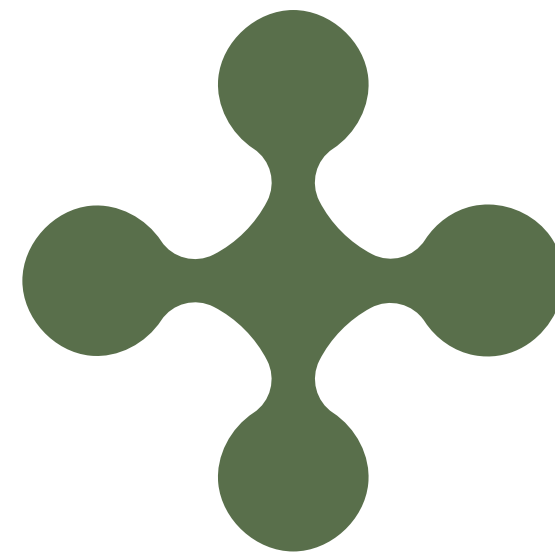
Types of Audit Documentation

The three types of audit documentation are working papers, supporting documents, and summarization documents. Each serves a specific purpose.



Purpose of Audit Documentation

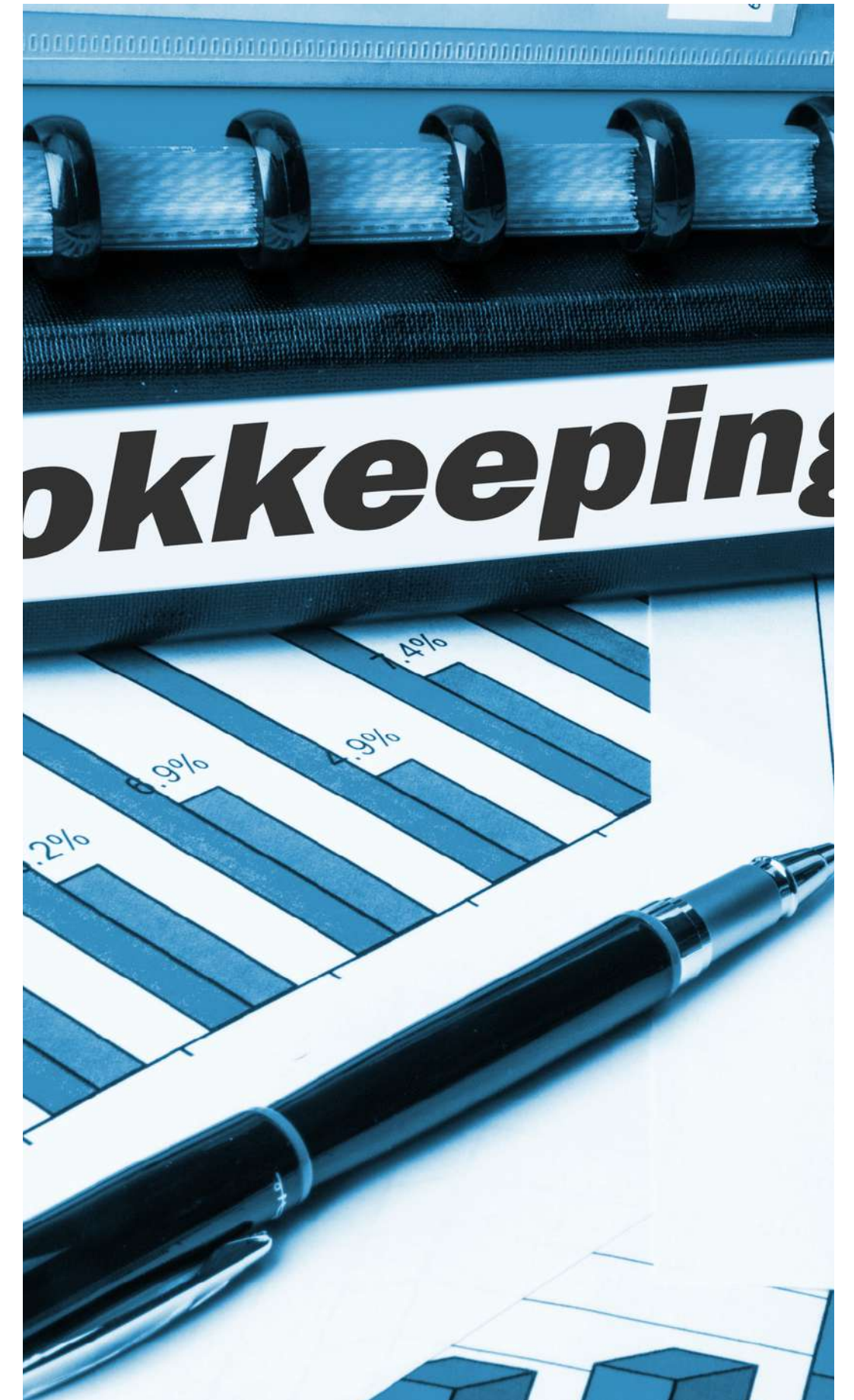
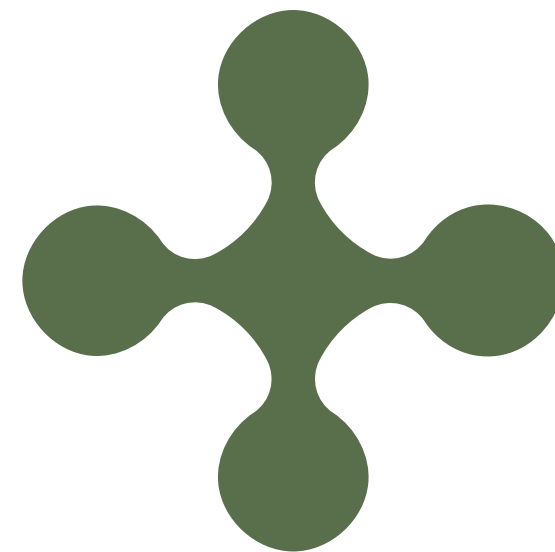
Audit documentation provides evidence of audit work performed and conclusions reached. It supports the basis for the audit report issued.



Purpose of Audit Documentation

Ethical Requirements

Audit documentation provides evidence of audit work performed and conclusions reached. It supports the basis for the audit report issued.



Integrity

Objectivity

Professional competence and due care

Confidentiality

Professional Behaviour

Be straightforward and honest in all professional and business relationships

Don't allow bias, conflicts of interest, or the undue influence of others to compromise sound judgement

Always apply an appropriate level of professional knowledge, skill, and diligence

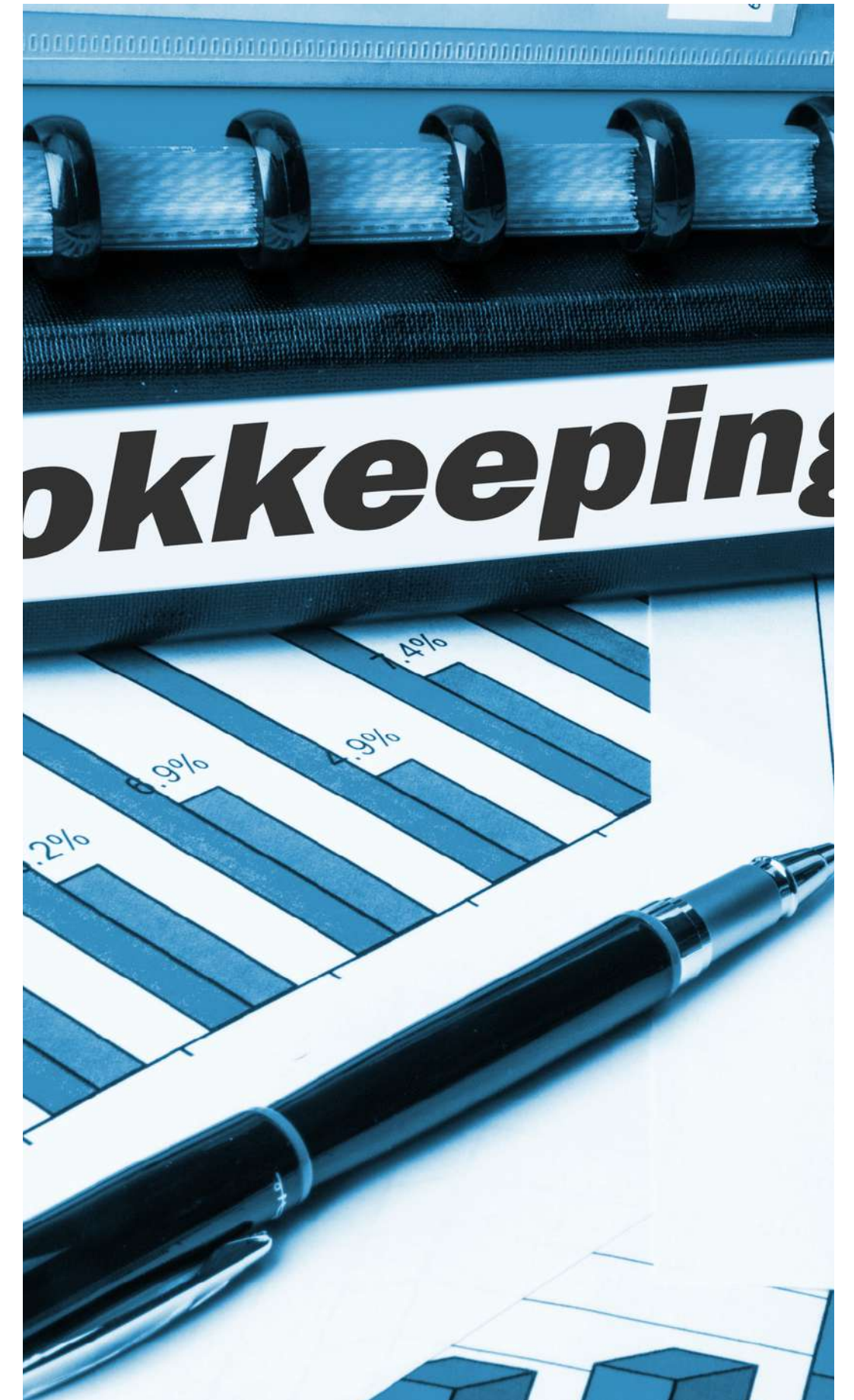
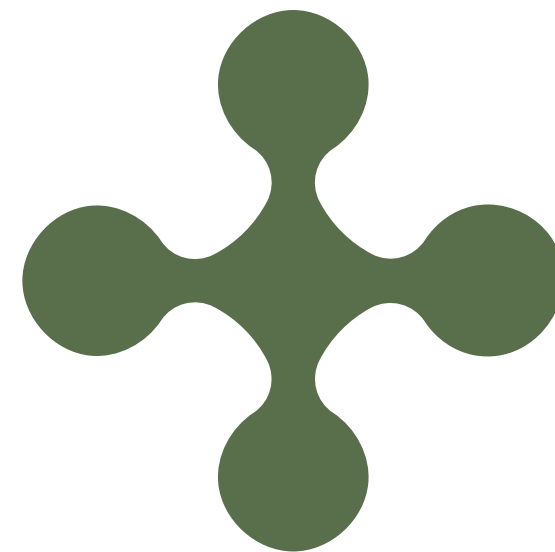
Respect the confidentiality of information acquired because of professional and business relationships, subject to applicable laws

Comply with all laws and regulations and don't act in a way that could discredit the profession

Purpose of Audit Documentation

Risk Mitigation

Audit documentation provides evidence of audit work performed and conclusions reached. It supports the basis for the audit report issued.





Self Interest - What's in it for me and does this impact my decision making?



Self Review - Am I reviewing my own work or evaluating recommendations I previously made



Advocacy - Am I at risk of promoting my client's or employer's position in a way that is inappropriate

A group of five people (three men and two women) are sitting around a table in a meeting room, looking at a laptop screen. They appear to be in a collaborative discussion.

Familiarity - Does my long-standing relationship with my client or employer threaten my decision-making or judgement

A woman with blonde hair and glasses, wearing a dark blazer over a striped shirt, is looking at a man. The man is wearing a dark pinstripe suit and a patterned tie, and is looking back at her. They appear to be in a professional setting.

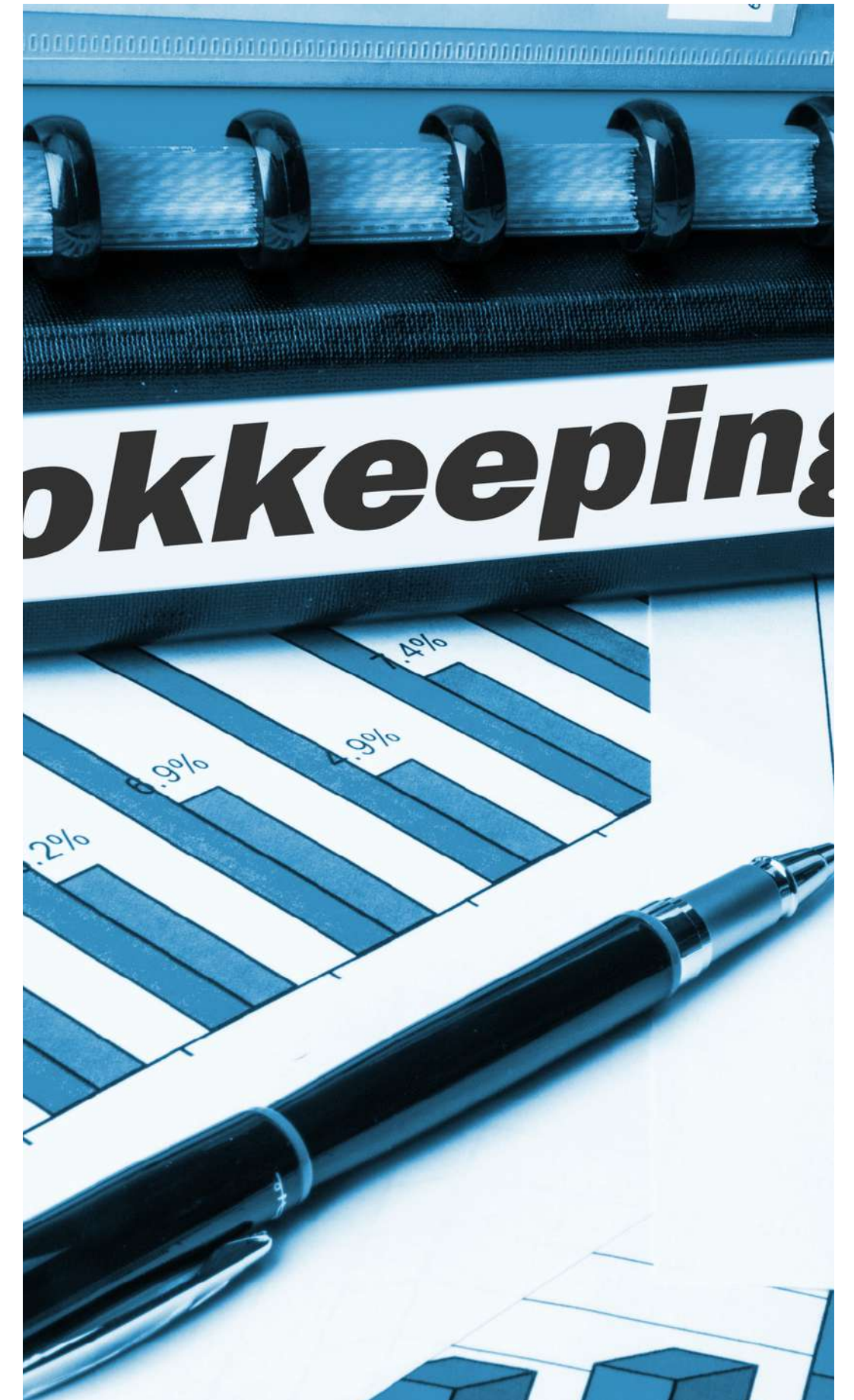
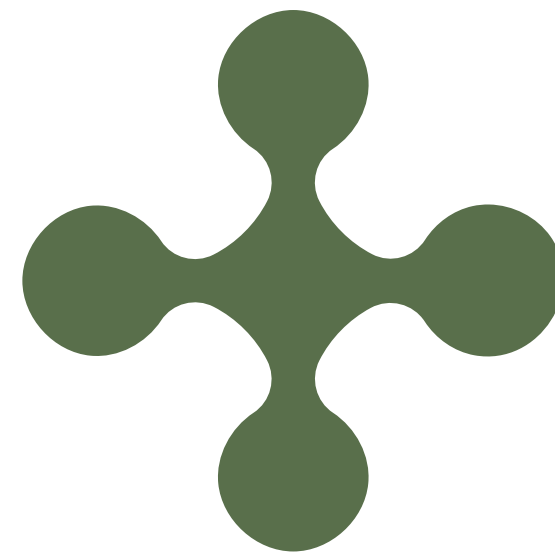
Intimidation - Do I feel threatened in any way with respect to performing my job in a diligent, professional or objective way

Purpose of Audit Documentation

Peer Review

For Bank Branch Auditors - Mandatory from 1.4.25

Audit documentation provides evidence of audit work performed and conclusions reached. It supports the basis for the audit report issued.



Documents required for Audit

01

At the Initial Stage

02

During Audit

03

Audit Conclusion



Documents required for Audit

01 At the Initial Stage

- *Appointment Formalities - Appointment letter, NOC,*
- *the terms of the engagement - Engagement Letter*
- *objectives of the audit - RBI Directions, Circulars*
- *the scope of the work - Directions given by banks*
- *Detailed Audit Plan and Program*



Documents required for Audit

02 During Audit

- *Financial Statements Comparison*
- *Summary of Various Reports*
- *Advances Verification - Check lists*
- *Sampling Methods and Conclusion*
- *Any Representation from Bank*
- *Supporting Documents*
- *ATM Verification*
- *KYC AML*
- *Management Representation*



Documents required for Audit

03

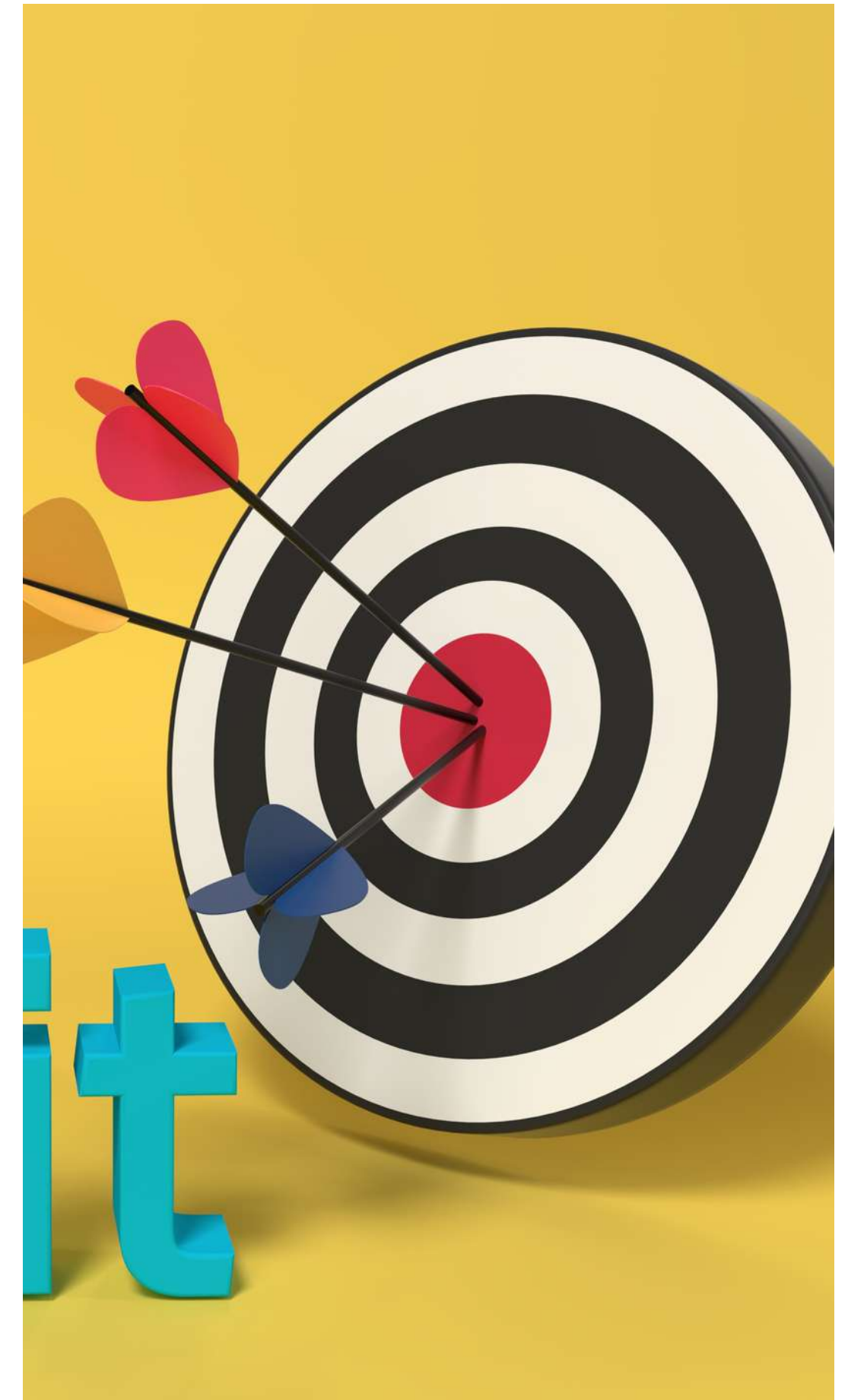
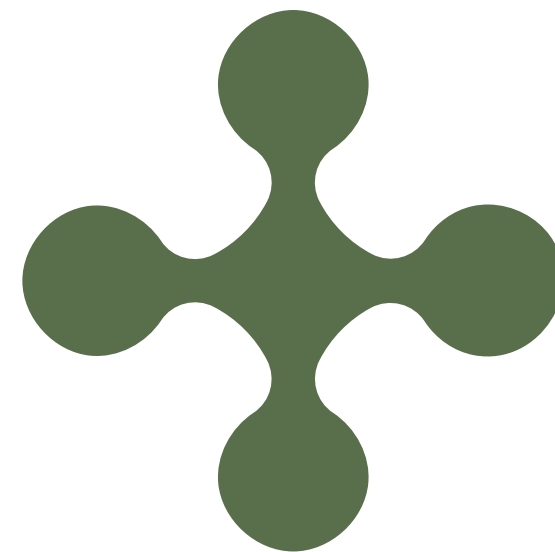
Audit Conclusion

- *Evidences Collected*
- *Reports and Certificates*
- *Analytical Reviews*
- *LFAR Reported WP*
- *Assembling Final Audit File*



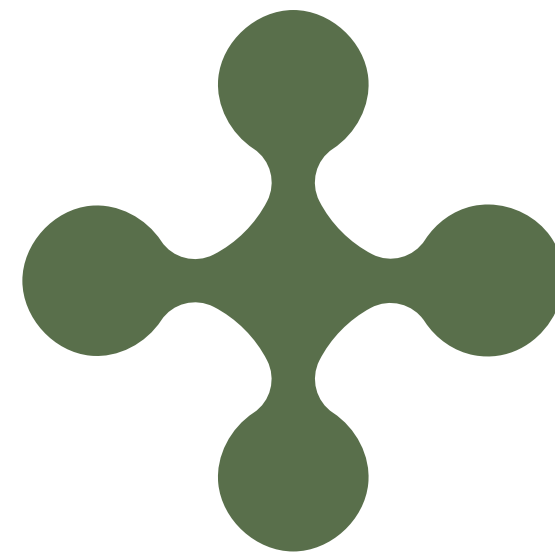
Audit Tests and Results Documentation

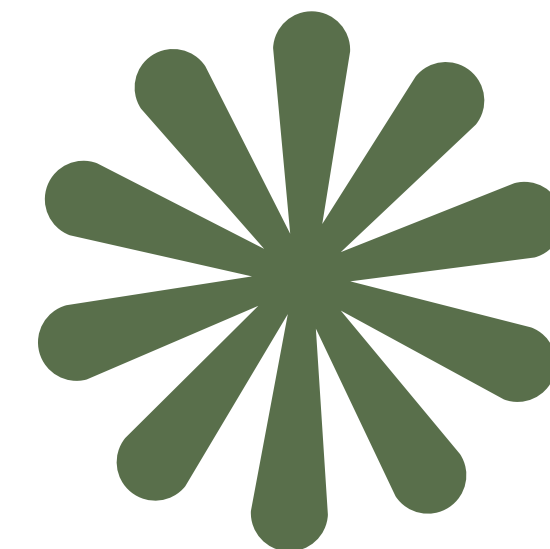
To ensure completeness and accuracy in bank branch audit, auditors must maintain a detailed checklist of audit tests and results documentation.



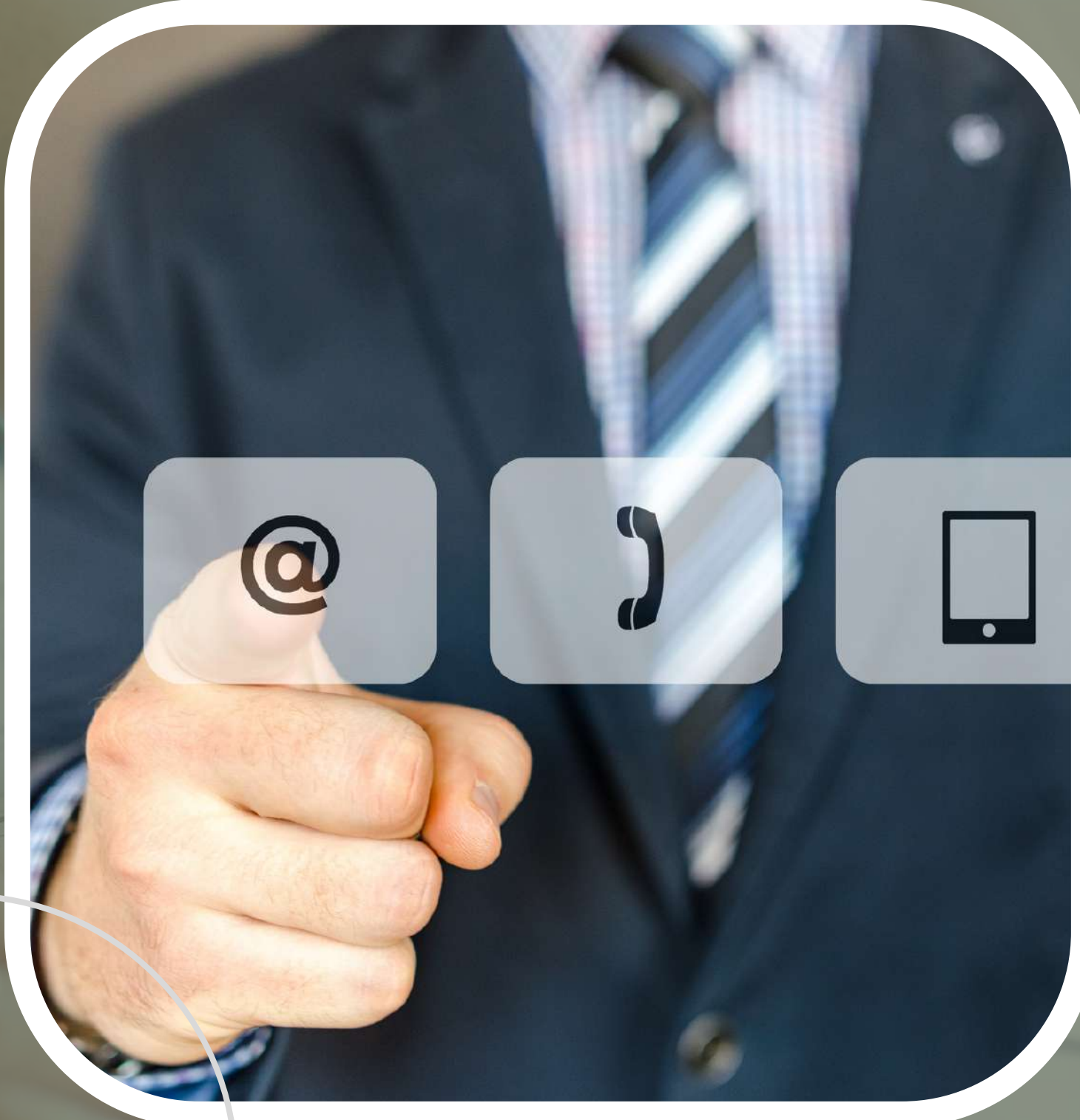
Audit Conclusions and Review Documentation

The review process includes analyzing and evaluating audit findings, preparing audit conclusions, and documenting the review process for future reference.





Thank you for allowing me to present on this important topic. If you have any further questions or concerns, please do not hesitate to reach out to me.



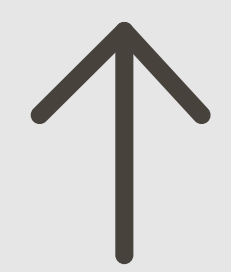
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