This flowchart provides an overview of the key requirements relating to the three testing approaches, including their linkages.

**Obtain Audit Evidence from Events Occurring up to the Date of the Auditor’s Report**

- Evaluate whether audit evidence is sufficient and appropriate to address risks of material misstatement relating to the accounting estimates.
- Take into account that changes in circumstances and other relevant conditions between the event and the measurement date may affect the relevance of such audit evidence in the context of the applicable financial reporting framework (Para. 21).

**Test How Management Made the Accounting Estimate**

- Obtain sufficient appropriate audit evidence regarding risks of material misstatement relating to (Para. 22).
- The selection and application of the methods, significant assumptions and the data; and (Para. 22(a)).

**Methods (Para. 23)**

- Significant Assumptions (Para. 24)
- Data (Para. 25)

**Significant Assumptions**

- Address whether methods, significant assumptions and data are appropriate in the context of the applicable financial reporting framework (Para. 23(a), 24(a) and 25(a)).

**Data**

- Address whether judgments made in selecting methods, significant assumptions and data give rise to indicators of possible management bias (Para. 23(b), 24(b) and 25(b)).

**Test How Management Made the Accounting Estimate**

- How management selected the point estimate and developed related disclosures about estimation uncertainty (Para. 22(b)).

**Assumptions**

- Address whether significant assumptions are consistent with each other (Para. 24(c)).
- Address whether, when applicable, management has the intent to carry out specific courses of action and has the ability to do so (Para. 24(d)).
- Address whether, when complex modelling is involved, judgments have been applied consistently and model design meets/adjustments to output are consistent with measurement objective (Para. 23(d)).
- Address whether significant calculations are applied in accordance with methods and are accurate (Para. 23(c)).

**Management has not taken appropriate steps**

- Management's response to perform additional procedures to understand or to address estimation uncertainty by reconsidering the selection of management’s point estimate or considering providing additional disclosures relating to the estimation uncertainty (Para. 27(a)).
- Management’s response (a) in accordance with paragraph 26 (Para. 27(a)).

**Develop an Auditor’s Point Estimate or Range**

- Evaluate whether the methods, assumptions or data used are appropriate in the context of the applicable financial reporting framework.
- Regardless of whether using management’s or the auditor’s own methods, assumptions or data, the auditor’s procedures are designed and performed to address the matters in paragraphs 23-25 (Para. 28).
- If the auditor develops an auditor’s range: (Para. 29).
  - Determine that the range includes only amounts that are supported by sufficient appropriate audit evidence and evaluated to be reasonable; and
  - Design and perform further audit procedures to be obtain sufficient appropriate audit evidence regarding the assessed risks material misstatement relating to the disclosures on estimation uncertainty.

**Linkage**

- If the auditor develops an auditor’s range: (Para. 29).
  - Determine that the range includes only amounts that are supported by sufficient appropriate audit evidence and evaluated to be reasonable; and
  - Design and perform further audit procedures to be obtain sufficient appropriate audit evidence regarding the assessed risks material misstatement relating to the disclosures on estimation uncertainty.
The nature, timing and extent of the auditor’s further audit procedures are affected by, for example: (Para. A84)

- The assessed risks of material misstatement, which affect the persuasiveness of the audit evidence needed and influence the approach the auditor selects to audit an accounting estimate
- The reasons for the assessed risks of material misstatement