Understand the entity's information system relevant to financial reporting **This includes** (a) How information relating to significant COTABD flows through the IS (b) Accounting records related to (a) (c) Financial reporting process used to prepare entity FS from records in (b) Para's 35(a)-(c)

Understand the entity's IT environment related to para's 35(a) - 35(c)

Para. 35(d)

IT environment:

a. IT applications **b. IT** infrastructure

- Network
- Operating system(s)
- Databases

c. IT processes



Operating System(s)



Applications



Evaluate the design of the IS controls, by understanding how matters in para's 35(a)-(d) are addressed and implemented



No IT applications relevant to the audit

IT applications relevant to the audit



The output contributes to the identification and assessment of ROMMs at the assertion level and the auditor's design of further audit procedures.

The auditor may plan to test the operating effectiveness of controls, including GITCs, which affects the auditor's control risk assessment in accordance with para. 50 of ISA 315 (Revised).

1. COTABD - Classes of transactions, account balances or disclosures

2. IS - Information system

3. D&I - Evaluate the design of controls and determine whether they have been implemented

- 4. RSPA Risks of material misstatement for which substantive
- procedures alone do not provide sufficient appropriate audit evidence
- 5. IT Information technology
- 6. FS Financial statements
- 7. GITCs General IT controls

