

What is the objective of Audit practice framework?

To define how external Audit is performed in milestone and timeframe manner along with required resources in order to achieve the goal being defined as per engagement of external auditor towards the company (the client).

This shall act as an open book guideline for both Finance and Non Finance staff member including EXCOM when it comes to knowing what are external Audit activities when conducted in a company, when they happen, how long it lasts and who should do it.

Audit Process

- 1. Receive and review Proposal from audit firms
- 2. Signing of Engagement Letter
- 3. Finalization of Trial Balance and send to the Auditor
- 4. Audit Planning meeting between Auditor and Finance Dept
- 5. Audit Scope work starts
- 6. Auditor initial queries
- 7. Audit Team Manager Review
- 8. Audit Manager Queries
- 9. Audit Partner Review
- 10. Audit Partner Queries
- 11. Receive a draft of audit report from Auditor
- 12. Get Approval from Executive Management from the company and send back to the auditor
- 13. The auditor will send to their QC for approval
- 14. The auditor will send an invoice
- 15. The Final Audit Report will be issued to the client

Phase Number	Phase Name	Phase Description	Timeframe	Internal resources Involved	External resources Involved
1	Receive and review Proposal from audit firms	The audit firm will send a proposal to be reviewed and signed by the TCG authorized approver to proceed to the audit work	Depends on the Audit firm	Only when receiving proposal to review and approve (TL FIN + GMD)	Depends on the Audit firm
2	Signing of Engagement Letter	After the proposal is signed, the engagement letter needs to be signed again by the client to specify the audit scope that needs to be done on a certain basis	Depends on the Audit firm (this phase starts when phase 1 is	None	Depends on the Audit firm

			signed off)		
3	Finalization of Trial Balance and send to Auditor	Before audit will starts, the client needs to finalize the financial accounts by passing all necessary journal entries to have the proper trial balance and balance sheet to be sent to the Auditor for the basis of the audit	7 days	TL FIN + AO + FA	None
4	Audit Planning meeting between Auditor and Finance Dept	Before engaging in the actual audit work, meeting of the both parties will be conducted to discuss the policy, procedure and other significant things needed for the audit	1 day	TL FIN	Auditor
5	Audit Scope work starts	After the audit plan is established, actual audit starts as per IAS followed by the Auditors	7 days	TL FIN + AO + FA	Auditors
6	Auditor initial queries	During the audit, auditors will submit their initial queries for the client to prepare as per requirements	7 days	TL FIN + AO + FA	Auditors
7	Audit Team Manager Review	After the initial queries are met, Manager review is required to check as per the standard of the audit	1 day	TL FIN	Manager and Auditor
8	Audit Manager Queries	During Manager review, queries again will be required to be prepared by the client as per requirements	1 day	TL FIN + AO + FA	
9	Audit Partner Review	After the Manager queries are met, Audit Partner review is required to check as per the standard of the audit	1 day	None	Partners
10	Audit Partner Queries	During Audit Partner review, queries again will be required to be prepared by the client as per requirements, after all the queries are submitted and review is finished, the auditor will issue the draft	1 day	TL FIN + AO + FA	
11	Receive draft of audit report from Auditor	The client will receive the draft from the Auditor and subject to management review and approval	1 day	TL FIN	None

12	Get Approval from Directors from the company and send to the auditor after approved	After review and approval is obtained from the management, client will send back the draft to the auditor	1 day	TL FIN + BOD	
13	The auditor will send to their QC for approval	After receiving the draft from the client, auditor will submit the draft to the QC to finalize and check any errors before sending the final report to the client	1 day	None	Auditors
14	Auditor will send invoice	Before sending the final report, Auditor will issue invoice for payment for the client to get the final report	1 day	TL FIN	None
15	Final Audit Report will be issued to the client	After payment is made by the client, auditor will issue the final report and send to the client	1 day	TL FIN	Auditors

