**PLANNING CHECKLIST**

[Engagement personnel to consider the following matters in planning the engagement. This list is not exhaustive, it is intended for guidance only]

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **UNDERSTANDING THE ENGAGEMENT:** |  |  |  |  |
|  | **Done by** |  | **Date** |  |
| 1. Accounting policies and procedures. |  |  |  |  |
| 1. Are there items in the financial statement items which are likely to require adjustment? |  |  |  |  |
| 1. The nature of reports expected to be rendered, e.g. |  |  |  |  |
| * + Report on consolidated financial statements |  |  |  |  |
| * + Reports on financial statements filed with the ASIC/ASX |  |  |  |  |
| * + Special purpose reports, such as those on compliance with contractual provisions. |  |  |  |  |
|  |  |  |  |  |

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| **ASSIGNING PERSONNEL TO THE ENGAGEMENT:** |  |  |  |  |
|  | **Done by** |  | **Date** |  |
| 1. Has a time budget for the engagement been prepared to determine the resources requirements and to schedule the field work? |  |  |  |  |
| 1. Has the principal/engagement partner approved the time budget prior to the beginning of the field work? |  |  |  |  |
| 1. Have the following factors been considered in achieving a balance of: |  |  |  |  |
| * + Engagement personnel requirements |  |  |  |  |
| * + Personnel skills |  |  |  |  |
| * + Individual development and utilisation? |  |  |  |  |
| * + 1. Engagement size and complexity |  |  |  |  |
| * + 1. Personnel availability |  |  |  |  |
| * + 1. Special expertise required |  |  |  |  |
| * + 1. Timing of the work performed |  |  |  |  |
| * + 1. Continuity and periodic rotation of personnel |  |  |  |  |
| * + 1. Opportunities for on-the-job training |  |  |  |  |
|  |  |  |  |  |

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| **INDEPENDENCE:** |  |  |  |  |
| 1. If acting as principal auditor, has written confirmation of the independence of other firms to perform segments of the audit been obtained? |  |  |  |  |
| 1. Have annual independence questionnaires been reviewed for all engagement personnel to assure that those individuals assigned to the engagement are independent? |  |  |  |  |
| 1. Have accounts receivable from the client been reviewed to see whether any outstanding amounts take on some of the characteristics of loans and therefore may impair the firm’s independence? |  |  |  |  |
|  |  |  |  |  |

[For audit engagements see the planning guidance within [CPA Australia’s Small Entities Audit Manual](https://www.cpaaustralia.com.au/professional-resources/audit-and-assurance/small-and-medium-entities)]