

前言

USCPA—美国注册会计师，是由 AICPA 美国注册会计师协会颁发，是全球财会证书中含金量最高的证书之一，因其具备全球签字权，可换全球八个国家的会计资格证，成为全球使用范围最广的财会证书之一。目前 USCPA 在国内外的认可度极高，但报考流程复杂，考试范围广，全英文的内容这些因素困扰着备考学员。

因此，高顿财经 USCPA 教研团队基于多年的教学经验和研发积累，将”英文考核内容”和”中式学习方法”有机结合，多位讲师和学术研究员全身心投入，历时 2 年，完成了这套直接对标中国考生的 USCPA 学习资料。这套学习资料并非考纲知识点的简单罗列和展示，而是充分考虑中国考生的背景知识和思维惯性后，重新梳理整个考核体系和知识内容。在考点全覆盖的前提下，着重强调背景知识的介绍，语言表述的简化，相关考点的分析比较。考试趋势的总结预测，力争让”零基础”的中国学员也能顺畅阅读和理解，打破英文考试的壁垒。

作为一套更适合中国考生学习的 USCPA 学习资料，本套资料的学习方法总结如下：

1. 每本讲义的 task1 均为当年最新的官方考纲 blueprints，建议作为初期学习的一个知识指引和最后冲刺的一个自检清单；
2. 每本讲义均划分为独立的章节(Chapter/Section)，章节下设具体目标学习任务。学习时既要具体掌握细节考点，又要有”整体思想”，宏观把控各章节间的联系和不同章节的难易考核程度；
3. 正文 task 均强调添加”Background” “Note” “Summary” “Pass Key” “Example”等特色模块。佐以表格和图例，建议初次学习和复习阶段，重点把握本部分内容；
4. 正文内容和框架均为中国考生”量身打造”，从”为什么考?””考什么?””怎么考?”多维度对知识点进行重构，也建议学员按照这种思维进行备考学习；
5. 正文结束最后配备 Appendix，作为课外学习的补充资料，建议了解这部分内容。

最后，本套学习资料凝结了高顿财经多年的教学研究成果，我们衷心希望能帮助广大考生高分通过考试！

高顿 USCPA 教研团队

Preface

USCPA—Certified Public Accountant of the United States, issued by the AICPA American Institute of Certified Public Accountants, is one of the most valuable certificates in the Global Accounting Certificate. Because of its global signature rights, it can be exchanged for accounting qualifications in eight countries around the world. At present, USCPA is highly recognized at home and abroad, but the application process is complex, the examination range is wide, and the English content plagues the test taker most.

Therefore, based on years of teaching research experience, Gordon USCPA Research Institute combines “English assessment content” with “Chinese learning method”. Together with many lecturers and researchers devoted themselves to it, after 2 years, this set of USCPA textbooks came out aimed specially for Chinese candidates. This set of textbooks is not a simple listing and display of the knowledge points of the exams. Instead, it fully considers the background knowledge and thinking inertia of Chinese candidates, and reorganizes the entire assessment system and knowledge content. To be more specific, it emphasizes the introduction of background information, the simplification of language expression, the analysis and comparison of relevant test sites. Which can help the “zero-based” students read and understand smoothly, break the barriers of English test.

As a set of USCPA textbooks that is more suitable for Chinese candidates, the learning methods of this set of books are summarized as follows:

1. The task1 of each book is the latest official blueprints of the year, recommended as a knowledge guide for the initial learning and a self-check list for the final sprint;
 2. Each book is divided into independent chapters/sections and specific tasks. When learning, it is necessary to have specific details of the test sites, but also need have overall reflection and macro control of the links between the chapters.
 3. The text task specially adds “Background” “Note” “Summary” “Pass Key” “Example” and other special modules. With the table and legend, it is recommended to focus on these parts during study.
 4. The content and framework of the text are “tailor-made” for Chinese candidates. On the strength of multi-dimensional reconstruction (“Why test this point?” “What this point mean?” “How to test?”) of test points, students can better prepare for exam.
 5. At the end of the book, Appendix is finally installed. As a supplement to extracurricular learning, it is recommended to simply understand this part.
- Finally, this set of textbooks has condensed the effort of teaching and research of Gaodun Finance for several years. We sincerely hope that this set of books can help the majority of candidates pass the exam!

此套资料参与教研老师如下

讲师：凤夙 杨菲霏

学术老师： 赵丁 姜悦 毛嘉亮



此资料为高顿内部学习资料，仅供高顿学员交流学习使用，未经上海高顿教育科技有限公司书面许可，任何单位及个人不得以任何方式或理由对该教材的任何部分进行使用、复制、永久下载、修改、传播、抄录或者与其它产品捆绑使用销售等。

Contents 2025V.1

Chapter 1 Professional Responsibilities	3
Task 1 Exam Content Overview	5
Task 2 Overview of the Audit Function	30
Task 3 Audit and Non-audit Standards	36
Task 4 AICPA Code of Professional Conduct	44
Task 5 SARBANES-OXLEY Act of 2002, SEC and PCAOB	63
Task 6 Ethical Requirements of GAO and DOL	74
Task 7 Quality Control Standards	82
Chapter 2 Engagement Planning and Obtaining an Understanding of the Client	86
Task 8 Engagement Acceptance and Continuance	88
Task 9 Planning and Supervision	98
Task 10 Audit risk and Fraud risk	121
Chapter 3 Understanding Internal Control and Assessing Control Risk	142
Task 11 Understanding Internal Control	144
Task 12 Assessing Risks of Material Misstatement	162
Task 13 Responding to the Assessed Risks of Material Misstatement	177
Task 14 Transaction Cycles - Revenue, Expense and Cash Cycles	188
Task 15 Transaction Cycle—Others	202
Task 16 Control Procedures and Tests of Controls Summary	210
Task 17 Internal Control Communications	216
Chapter 4 Audit Evidence Accumulation and Evaluation	223
Task 18 Audit Evidence-General and Analytical Procedures	225
Task 19 Audit Evidence—Tests of Details	233
Task 20 Audit Procedures by Transaction Cycle – Revenue, Expenditure and Cash Cycle	243
Task 21 Audit Procedures by Transaction Cycle-Inventory and Investment Cycle	257
Task 22 Audit Procedures by Transaction Cycle-Others	265
Task 23 Audit Procedures for Special Matters- Related party Transactions, Contingency and Accounting Estimate	273
Task 24 Audit Procedures for Special Matters – Going Concern	285
Task 25 Subsequent Events and Audit of the Statement of Cash Flows	289
Task 26 Management Representations	295
Task 27 Audit Documentation	301
Task 28 Completing the Audit and Evaluating Audit Findings	307
Task 29 APPENDIX: Adjusting Journal Entries	314
Chapter 5 Audit Reporting	318

Task 30 Types of Opinions and Standard Unmodified Reports	319
Task 31 Audit Reports: Qualified or Adverse Opinion (GAAP Issues)	331
Task 32 Audit Report: Qualified Opinion or Disclaimer (GAAS Issues)	339
Task 33 Audit Reports: Opinion with Emphasis-of-Matter Paragraphs / Other-Matter Paragraphs ...	353
Task 34 Audits of Group Financial Statements	363
Task 35 Reporting on Comparative Financial Statements	371
Task 36 Reporting on Other Information and Supplementary Information	379
Task 37 Special Purpose Frameworks	391
Task 38 Compliance with Contractual Agreements or Regulations	399
Task 39 Review of Interim Financial Information	401
Task 40 Reporting on Internal Control over Financial Reporting [ICFR]	409
Task 41 Government Audits	433
Task 42 Single Audits Acts	441
Chapter 6 Attest Engagements	451
Task 43 Attest Engagements – General Introduction	453
Task 44 Agreed-Upon Procedures, Prospective F/S and Pro Forma F/S	467
Task 45 Compliance Attestation, MD&A and SOC Reports	479
Chapter 7 Accounting and Review Services	499
Task 46 SSARS Introduction	501
Task 47 Financial Statement Preparation	505
Task 48 Financial Statement Compilation	511
Task 49 Financial Statement Review	521
Task 50 Other Contents about Accounting and Review Services	539
Chapter 8 Audit Sampling and Auditing with Technology	547
Task 51 Basic Audit Sampling Concepts	549
Task 52 Sampling in Tests of Controls	555
Task 53 Sampling in Substantive Tests: Variables Sampling	563
Task 54 Computer Assisted Audit Techniques	573
Task 55 Audit Data Analytics	582

Chapter 1 Professional Responsibilities

Task 1 Exam Content Overview

Task 2 Overview of the Audit Function

Task 3 Audit and Non-audit Standards

Task 4 AICPA Code of Professional Conduct

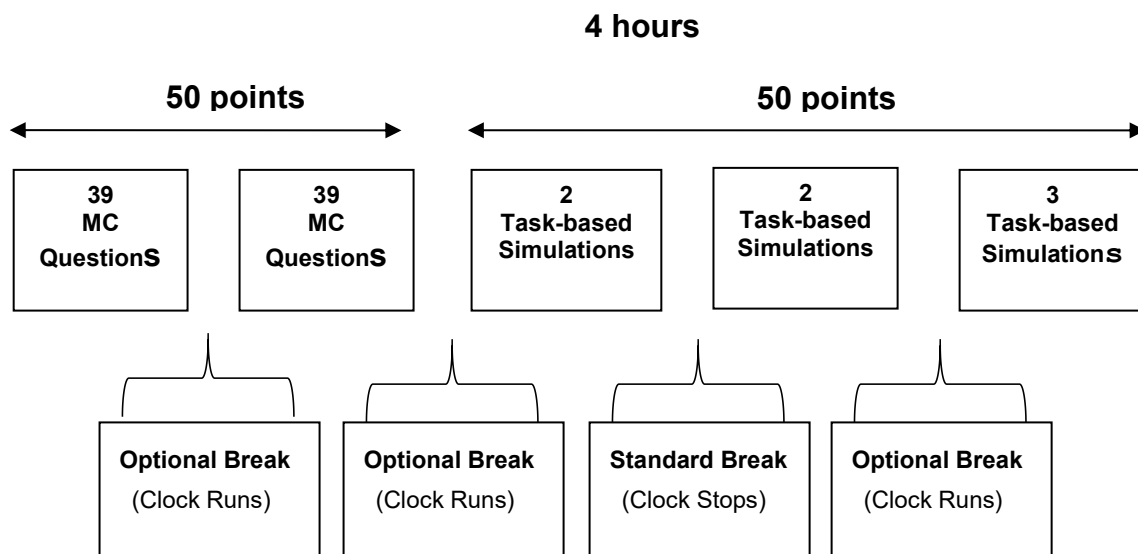
Task 5 SARBANES-OXLEY Act of 2002, SEC and PCAOB

Task 6 Ethical Requirement of GAO and DOL

Task 7 Quality Control Standards

Task 1 Exam Content Overview

I. Exam Format:



II. INTRODUCTION

The Auditing and Attestation (AUD) section of the Uniform CPA Examination (the Exam) tests the knowledge and skills that a newly licensed CPA must demonstrate when performing:

- ◆ **Audits of issuer and nonissuer entities** (including governmental entities, not-for-profit entities, employee benefit plans and entities receiving federal grants)
- ◆ **Attestation engagements for issuer and nonissuer entities** (including examinations, reviews and agreed-upon procedures engagements)
- ◆ **Preparation, compilation and review engagements** for nonissuer entities and **reviews** of interim financial information for issuer entities.

Newly licensed CPAs are also required to demonstrate knowledge and skills related to professional responsibilities, including ethics and independence and professional skepticism. Professional skepticism reflects an iterative process that includes a questioning mind and a critical assessment of audit evidence. It is essential to the practice of public accounting and the work of newly licensed CPAs.

The engagements tested under the AUD section of the Exam are performed in accordance with professional standards and/or regulations promulgated by various governing bodies, including the American Institute of CPAs (AICPA), Public Company Accounting Oversight Board (PCAOB), U.S. Government Accountability Office (GAO), Office of Management and Budget (OMB) and U.S. Department of Labor (DOL). A listing of standards promulgated by these bodies, and other reference materials relevant to the AUD section of the Exam, are included under References at the conclusion of this Introduction.

A. Content Organization and Tasks

The AUD section blueprint is organized by content AREA, content GROUP and content TOPIC. Each topic includes one or more representative TASKS that a newly licensed CPA may be expected to complete when performing audits, attestation engagements or accounting and review services engagements.

Tasks included in the AUD section blueprint may, and typically do, relate to multiple engagement types. For example, tasks related to Analytical Procedures (included under Area III, Group C, Topic 1) may be performed during a:

1. **Review Engagement** – as a presumptively mandatory procedure required under Statement for Accounting and Review Services No. 21 (AR-C section 90), or during an
2. **Audit Engagement** – during planning, as a substantive procedure, or near the end of the engagement to assist with forming an overall conclusion on the financial statements.

The tasks in the blueprint are representative. They are not intended to be (nor should they be viewed as) an all-inclusive list of tasks that may be tested in the AUD section of the Exam. Additionally, it should be noted that the number of tasks associated with a particular content group or topic is not indicative of the extent such content group, topic or related skill level will be assessed on the Exam. Similarly, examples provided within the task statements should not be viewed as all-inclusive.

B. Content Allocation

The following table summarizes the content areas and the allocation of content tested in the AUD section of the Exam:

CONTENT AREA		ALLOCATION
Area I	Ethics, Professional Responsibilities and General Principles	15–25%
Area II	Assessing Risk and Developing a Planned Response	25–35%
Area III	Performing Further Procedures and Obtaining Evidence	30–40%
Area IV	Forming Conclusions and Reporting	10-20%

C. Overview of Content Areas

1. Area I of the AUD section blueprint covers several general topics, including the following:

- a. **Nature and Scope of Engagements** – Understanding the nature and scope of the various types of audit and non-audit engagement types, including:
 - i. **Audit Engagements** – Financial statement audits as well as other types of audits a newly licensed CPA may perform, such as compliance audits, audits of internal control integrated with an audit of financial statements and audits of entities receiving federal grants
 - ii. **Non-audit Engagements** – Attestation engagements (including examinations, reviews and agreed-upon procedures engagements), Accounting and Review Services engagements (including preparation, compilation and review engagements) and reviews of interim financial information
- b. **Ethics, Independence and Professional Conduct** – Requirements under the AICPA Code of Professional Conduct and professional and independence requirements of the Securities and Exchange Commission (SEC), PCAOB, GAO and DOL; concepts related to professional skepticism and professional judgment.
- c. **Terms of Engagement** – Preconditions for accepting an audit or non-audit engagement and the terms of engagement and engagement letter
- d. **Engagement Documentation** – Requirements for engagement documentation for all types of audit and non-audit engagements
- e. **Communication Requirements** – Understanding the requirements for communicating with management, those charged with governance, component auditors and other parties
- f. **Quality Control** – Understanding of quality control at the firm and engagement levels

The remaining three areas of the AUD section blueprint (Areas II, III and IV) cover the activities that a newly licensed CPA must be able to perform when providing professional services related to the types of engagements enumerated above. These sections include the activities relevant for every type of engagement covered in the AUD section of the Exam, from the integrated audit of an issuer to a preparation, compilation or review for a small nonissuer, to the audit of a governmental entity. The organization of these sections follows the typical engagement process, from planning through reporting.

2. Area II of the AUD section blueprint covers the engagement process from initial planning to risk assessment and designing procedures responsive to risks, including:

- a. **Planning the Engagement** – Understanding the engagement strategy and developing a detailed engagement plan
- b. **Understanding an Entity and Its Environment and Understanding Internal Controls over Financial Reporting** – Developing an understanding of an entity and the risks associated with the engagement, understanding an entity's internal controls, and evaluating the effect of internal controls on an engagement

- c. Assessing Risks and Planning Further Procedures** – Identifying and assessing risks of misstatement due to error or fraud and developing appropriate engagement procedures, including understanding and calculating materiality and considering specific engagement risks, as well as incorporating concepts such as audit data analytics, group audits, using the work of the internal audit function and the work of specialists
3. Area III of the AUD section blueprint covers performing engagement procedures and concluding on the sufficiency and appropriateness of evidence obtained, including performing specific types of procedures (e.g., analytical procedures, analytical procedures using audit data analytics, observation and inspection, recalculation and reperformance); testing the operating effectiveness of internal controls; performing tests of compliance and agreed-upon procedures, understanding and responding to specific matters that require special consideration (e.g., accounting estimates, including fair value estimates); evaluating and responding to misstatements due to error or fraud and to internal control deficiencies; obtaining management representations; and performing procedures to identify and respond to subsequent events and subsequently discovered facts.
 4. Area IV of the AUD section blueprint covers identifying the factors that an auditor, accountant or practitioner should consider when reporting on auditing, attestation, compilation, review or compliance engagements, when performing preparation engagements, and when assisting in the preparation of reports or these engagements. This includes other reporting considerations, such as comparative financial statements, consistency, supplementary information and special considerations when performing engagements under Government Auditing Standards.

D. Skill Allocation

The Exam focuses on testing of higher order skills. Based on the nature of the task, each representative task in the AUD section blueprint is assigned a skill level. AUD section considerations related to the skill levels are discussed below.

Skill levels	
Evaluations	The examination or assessment of problems, and use of judgment to draw conclusions.
Analysis	The examination and study of the interrelationships of separate areas in order to identify causes and find evidence to support inferences.
Application	The use or demonstration of knowledge, concepts or techniques.
Remembering and Understanding	The perception and comprehension of the significance of an area utilizing knowledge gained.

1. Remembering and Understanding is mainly concentrated in Area I and Area IV. These areas contain much of the general audit knowledge that is required for newly licensed CPAs. In Area IV, many of the tasks relate to reporting and are driven by templates and illustrative examples
2. Application is tested in all four areas of the AUD section. Application tasks focus on general topics such as professional responsibilities and documentation, and the day-to-day tasks that newly licensed CPAs perform, frequently using standardized application tools such as audit programs and sampling techniques
3. Analysis and Evaluation skills, tested in Area II and Area III, involve tasks that require a higher level of analysis and interpretation. These tasks, such as concluding on sufficiency and appropriateness of evidence, frequently require newly licensed CPAs to apply professional skepticism and judgment.

The representative tasks combine both the applicable content knowledge and the skills required in the context of the work that a newly licensed CPA would reasonably be expected to perform.

E. References

1. AICPA Statements on Auditing Standards and Interpretations
2. Public Company Accounting Oversight Board (PCAOB) Standards (SEC-Approved) and Related Rules, PCAOB Staff Questions and Answers and PCAOB Staff Audit Practice Alerts
3. U.S. Government Accountability Office Government Auditing Standards
4. Single Auditing Act, as amended

5. Office of Management and Budget (OMB) Auditing requirements for Federal Awards (2 CFR 200)
6. AICPA Statements on Quality Control Standards
7. AICPA Statements on Standards for Accounting and Review Services and Interpretations
8. AICPA Statements on Standards for Attestation Engagements and Interpretations
9. AICPA Audit and Accounting Guides
10. AICPA Code of Professional Conduct
11. Sarbanes-Oxley Act of 2002
12. U.S. Department of Labor (DOL) Guidelines and Interpretive Bulletins re: Auditor Independence
13. SEC Independence Rules
14. Employee Retirement Income Security Act of 1974
15. The Committee of Sponsoring Organizations of the Treadway Commission (COSO): Internal Control – Integrated Framework
16. Current textbooks on auditing, attestation services, ethics and independence

F. Summary blueprint

Content Area Allocation	Weight
I. Ethics, Professional Responsibilities and General Principles	15–25%
II. Assessing Risk and Developing a Planned Response	25–35%
III. Performing Further Procedures and Obtaining Evidence	30–40%
IV. Forming Conclusions and Reporting	10–20%

Skill levels	Allocation
Remembering and Understanding	30-40%
Application	30-40%
Analysis	15-25%
Evaluation	5-15%

Area I – Ethics, Professional Responsibilities and General Principles (15–25%)

Content group/Topic	Skill				Representative tasks
	Remembering and understanding	Application	Analysis	Evaluation	
A. NATURE AND SCOPE					
1. Nature and scope: audit engagements	√				Identify the nature, scope and objectives of the different types of audit engagements, including issuer and nonissuer audits.

2. Nature and scope: engagements conducted under Government Accountability Office Government Auditing Standards	√				Identify the nature, scope and objectives of engagements performed in accordance with Government Accountability Office Government Auditing Standards.
3. Nature and scope: non-audit engagements	√				Identify the nature, scope and objectives of the different types of non-audit engagements, including engagements conducted in accordance with the attestation standards and the accounting and review services standards.
B. ETHICS, INDEPENDENCE AND PROFESSIONAL CONDUCT					
1. AICPA Code of Professional Conduct	√				Understand the principles, rules and interpretations included in the AICPA Code of Professional Conduct.
	√				Recognize situations that present threats to compliance with the AICPA Code of Professional Conduct, including threats to independence.
		√			Apply the principles, rules and interpretations included in the AICPA Code of Professional Conduct to given situations.
		√			Apply the Conceptual Framework for Members in Public Practice included in the AICPA Code of Professional Conduct to situations that could present threats to compliance with the rules included in the Code.
		√			Apply the Conceptual Framework for Members in Business included in the AICPA Code of Professional Conduct to

					situations that could present threats to compliance with the rules included in the Code.
		√			Apply the Conceptual Framework for Independence included in the AICPA Code of Professional Conduct to situations that could present threats to compliance with the rules included in the Code.
2 Requirements of the Securities and the Exchange Commission and the Public Company Accounting Oversight Board	√				Understand the ethical requirements of the Securities and Exchange Commission and the Public Company Accounting Oversight Board.
	√				Recognize situations that present threats to compliance with the ethical requirements of the Securities and Exchange Commission and the Public Company Accounting Oversight Board.
		√			Apply the ethical requirements and independence rules of the Securities and Exchange Commission and the Public Company Accounting Oversight Board to situations that could present threats to compliance during an audit of an issuer.
3. Requirements of the Government Accountability Office and the Department of	√				Recognize situations that present threats to compliance with the ethical requirements of the Government Accountability Office Government Auditing Standards.

Labor	√				Recognize situations that present threats to compliance with the ethical requirements of the Department of Labor.
		√			Apply the ethical requirements and independence rules of the Government Accountability Office Government Auditing Standards to situations that could present threats to compliance during an audit of, or attestation engagement for, a government entity or an entity receiving federal awards.
		√			Apply the independence rules of the Department of Labor to situations that could present threats to compliance during an audit of employee benefit plans.
4. Professional skepticism and professional judgment	√				Understand the concepts of professional skepticism and professional judgment.
	√				Understand personal bias and other impediments to acting with professional skepticism, such as threats, incentives and judgment-making shortcuts.
C. TERMS OF ENGAGEMENT					
1. Preconditions for an engagement	√				Identify the preconditions needed for accepting or continuing an audit or non-audit engagement
		√			Perform procedures to determine whether the preconditions needed for accepting or continuing an audit or non-audit engagement are present.
		√			Perform procedures to determine whether the financial reporting framework to be applied to an entity's financial

					statements is acceptable.
		√			Perform procedures to obtain the agreement of management that it acknowledges and understands its responsibilities for an audit or non-audit engagement.
2. Terms of engagement and engagement letter	√				Identify the factors affecting the acceptance or continuance of an audit or non-audit engagement.
	√				Identify the factors to consider when management requests a change in the type of engagement (e.g., from an audit to a review).
		√			Perform procedures to confirm that a common understanding of the terms of an engagement exist with management and those charged with governance.
		√			Document the terms of an audit or non-audit engagement in a written engagement letter or other suitable form of written agreement.
D. REQUIREMENTS FOR ENGAGEMENT DOCUMENTATION					
	√				Identify the elements that comprise sufficient appropriate documentation for an audit or non-audit engagement
	√				Identify the requirements for the assembly and retention of documentation for an audit or non-audit engagement.
		√			Prepare documentation that is sufficient to enable an experienced auditor having no previous connection with an audit engagement to understand the nature, timing, extent and results of procedures performed and the significant findings and

					conclusions reached
		√			Prepare documentation that is sufficient to enable an accountant having no previous connection with a non-audit engagement to understand the nature, timing, extent and results of procedures performed and the significant findings and conclusions reached.
E. COMMUNICATION WITH MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE					
1. Planned scope and timing of an engagement	√				Identify the matters related to the planned scope and timing of an audit or non-audit engagement that should be communicated to management and those charged with governance.
		√			Prepare presentation materials and supporting schedules for use in communicating the planned scope and timing of an audit or non-audit engagement to management and those charged with governance.
2. Internal control related matters	√				Identify the matters related to deficiencies and material weaknesses in internal control that should be communicated to those charged with governance and management for an audit or non-audit engagement and the timing of such communications
		√			Prepare written communication materials for use in communicating identified internal control deficiencies and material weaknesses for an audit or non-audit engagement to those charged with governance and management.
3. All other matters	√				Identify matters, other than those related to the planned scope and timing

					or deficiencies, and material weaknesses in internal control that should be communicated to management and those charged with governance for an audit or non-audit engagement.
G. AUDIT AND ASSURANCE QUALITY					
	√				Identify a CPA firm's responsibilities for its accounting and auditing practice's engagement quality..
	√				Explain procedures and responsibilities for managing engagement quality..

Area II — Assessing Risk and Developing a Planned Response (25- 35%)

Content group/Topic	Skill				Representative tasks
	Remembering and understanding	Application	Analysis	Evaluation	
A. PLANNING AN ENGAGEMENT					
1. Developing an Overall engagement strategy	√				Explain the purpose and significance of the overall engagement strategy for an audit or non-audit engagement.
2. Developing a detailed engagement plan		√			Prepare a detailed engagement plan for an audit or non-audit engagement starting with the prior-year engagement plan or with a template.
		√			Prepare supporting planning related materials (e.g., client assistance request listings, time budgets) for a detailed engagement plan starting with the prior-year engagement plan or with a template.

			√		Develop or modify a detailed engagement plan for an audit or non-audit engagement based on planning inputs and constraints.
B. UNDERSTANDING AN ENTITY AND ITS ENVIRONMENT					
1. External factors, including the applicable financial reporting framework		√			Identify and document the relevant industry, regulatory and other external factors that impact an entity and/or the inherent risk of material misstatement, including the applicable financial reporting framework.
		√			Document the procedures that were performed to obtain an understanding of the relevant industry, regulatory and other external factors that impact an entity and/or the inherent risk of material misstatement, including the applicable financial reporting framework.
2. Internal factors, including nature of the entity, ownership and governance structures and risk strategy		√			Identify and document the relevant factors that define the nature of an entity, including the impact on the risk of material misstatement (e.g., its operations, ownership and governance structure, investment and financing plans, selection of accounting policies and objectives and strategies).
		√			Document the procedures that were performed to obtain an understanding of the relevant factors that define the nature of an entity, including the impact on the risk of material misstatement (e.g., its operations, ownership and governance structure, investment and financing plans, selection of accounting policies, and objectives and strategies).
C. UNDERSTANDING AN ENTITY'S INTERNAL CONTROL					
1. Control environment and entity-level controls		√			Identify and document the significant components of an entity's control environment, including its entity-level controls.

2. Flow of transactions and design of internal controls		√			Perform and document the procedures to obtain an understanding of the significant components of an entity's control environment, including its entity-level controls.
		√			Perform a walkthrough and document the flow of transactions relevant to an audit of an entity's financial statements, including an audit of an entity's internal controls.
		√			Perform tests of the design and implementation of internal controls relevant to an audit of an entity's financial statements, including an audit of an entity's internal controls.
			√		Identify and document the key controls within the flow of an entity's transactions relevant to an audit of an entity's financial statements, including an audit of an entity's internal controls.
				√	Evaluate whether internal controls relevant to an audit of an entity's financial statements, including an audit of an entity's internal controls are effectively designed and placed in operation.
3. Implications of an entity using a service organization		√			Identify and document the purpose and significance of an entity's use of a service organization, including its impact on an audit of an entity's financial statements, including an audit of an entity's internal controls.
		√			Use a service organization report to determine the nature and extent of testing procedures to be performed in an audit of an entity's financial statements, including an audit of an entity's internal controls.
4. Information		√			Identify and document an entity's key IT general and application

Technology (IT) general and application controls					controls, their impact on the audit of an entity's financial statements, including an audit of an entity's internal controls, and consider the effect of these controls and manual controls on the completeness and reliability of an entity's data.
		√			Perform and document tests of an entity's key IT general and application controls, their impact on the audit of an entity's financial statements, including an audit of an entity's internal controls, and consider the effect of these controls and manual controls on the completeness and reliability of an entity's data.
5. Limitations of controls and risk of management override	√				Understand the limitations of internal controls and the potential impact on the risk of material misstatement of an entity's financial statements.
		√			Identify and document the risks associated with management override of internal controls and the potential impact on the risk of material misstatement of an entity's financial statements.
D. ASSESSING RISKS DUE TO FRAUD, INCLUDING DISCUSSIONS AMONG THE ENGAGEMENT TEAM ABOUT THE RISK OF MATERIAL MISSTATEMENT DUE TO FRAUD OR ERROR					
			√		Assess risks of material misstatement of an entity's financial statements due to fraud or error (e.g., during a brainstorming session), leveraging the combined knowledge and understanding of the engagement team.
E. IDENTIFYING AND ASSESSING THE RISK OF MATERIAL MISSTATEMENT, WHETHER DUE TO ERROR OR FRAUD, AND PLANNING FURTHER PROCEDURES RESPONSIVE TO IDENTIFIED RISKS					
1. Impact of risks at the financial statement level		√			Identify and document the assessed impact of risks of material misstatement at the financial statement level, taking into account the effect of relevant controls.
			√		Analyze identified risks to detect those that relate to an entity's financial statements as a whole (as contrasted to the relevant assertion level).

2. Impact of risks for each relevant assertion at the class of transaction, account balance and disclosure levels		√			Identify and document risks and related controls at the relevant assertion level for significant classes of transactions, account balances and disclosures in an entity's financial statements.
			√		Analyze the potential impact of identified risks at the relevant assertion level for significant classes of transactions, account balances and disclosures in an entity's financial statements, taking account of the controls the auditor intends to test.
3. Further procedures responsive to identified risks		√			Develop planned audit procedures that are responsive to identified risks of material misstatement due to fraud or error at the relevant assertion level for significant classes of transactions and account balances.
			√		Analyze the risk of material misstatement, including the potential impact of individual and cumulative misstatements, to provide a basis for developing planned audit procedures.
			√		Assess risks of material misstatement using audit data analytic outputs (e.g., reports and visualizations) to determine relationships among variables and interpret results to provide a basis for developing planned audit procedures.
F. MATERIALITY					
1. For the financial statements as a whole	√				Understand materiality as it relates to the financial statements as a whole.
		√			Calculate materiality for an entity's financial statements as a whole.
		√			Calculate the materiality level (or levels) to be applied to classes of transactions, account balances and disclosures in an audit of an issuer or nonissuer.
2. Performance materiality and	√				Understand the use of performance materiality and tolerable misstatement in an

Tolerable misstatement					audit of an issuer or nonissuer.
		√			Calculate performance materiality or tolerable misstatement for the purposes of assessing the risk of material misstatement and determining the nature, timing and extent of further audit procedures in an audit of an issuer or nonissuer.
G. PLANNING FOR AND USING THE WORK OF OTHERS, INCLUDING GROUP AUDITS, THE INTERNAL AUDIT FUNCTION AND THE WORK OF A SPECIALIST					
	√				Identify the factors to consider in determining the extent to which an engagement team can use the work of the internal audit function in an audit or non-audit engagement.
	√				Identify the factors to consider in determining the extent to which an engagement team should use the work of a specialist in an audit or non-audit engagement.
	√				Identify the factors to consider in determining the extent to which an auditor can use the work of a component auditor in a group audit.
		√			Determine the nature and scope of the work of the internal audit function that can be used in an audit or non-audit engagement.
		√			Perform procedures to utilize the work of a specialist to obtain evidence in an audit or non-audit engagement.
		√			Determine the nature and scope of the work of a component auditor, including the identification of significant components that can be used in a group audit.
H. SPECIFIC AREAS OF ENGAGEMENT RISK					
1. An entity's compliance with laws and regulations, including possible illegal acts	√				Understand the accountant's responsibilities with respect to laws and regulations that have a direct effect on the determination of material amounts or disclosures in an entity's financial statements for an audit or non-audit engagement.
	√				Understand the accountant's

					responsibilities with respect to laws and regulations that are fundamental to an entity's business but do not have a direct effect on the entity's financial statements in an audit or non-audit engagement.
		√			Perform tests of compliance with laws and regulations that have a direct effect on material amounts or disclosures in an entity's financial statements in an audit or non-audit engagement.
		√			Perform tests of compliance with laws and regulations that are fundamental to an entity's business, but do not have a direct effect on the entity's financial statements for an audit or non-audit engagement.
2. Accounting estimates, including fair value estimates	√				Recognize the potential impact of significant accounting estimates on the risk of material misstatement, including the indicators of management bias.
3. Related parties and related party transactions		√			Perform procedures to identify related party relationships and transactions for an audit or non-audit engagement, including consideration of significant unusual transactions and transactions with executive officers.
			√		Analyze the potential impact of related party relationships and transactions on the risk of material misstatement for an audit or non-audit engagement, including consideration of significant unusual transactions and transactions with executive officers.

Area III — Performing Further Procedures and Obtaining Evidence (30–40%)

Content group/Topic	Skill				Representative tasks
	Remembering and understanding	Application	Analysis	Evaluation	

A. UNDERSTANDING SUFFICIENT APPROPRIATE EVIDENCE					
			√		Investigate evidence that either contradicts or corroborates management explanations, expectations and other hypotheses throughout an audit or non-audit engagement.
				√	Conclude on the sufficiency and appropriateness of evidence obtained during the audit engagement for an issuer or nonissuer.
				√	Conclude on the sufficiency and appropriateness of evidence obtained during a non-audit engagement based on the objectives and reporting requirements of the engagement.
B. SAMPLING TECHNIQUES					
	√				Understand the purpose and application of sampling techniques in an audit or non-audit engagement.
		√			Use sampling techniques to extrapolate the characteristics of a population from a sample of items tested.
C. PERFORMING SPECIFIC PROCEDURES TO OBTAIN EVIDENCE					
1. Analytical procedures			√		Determine the suitability of substantive analytical procedures to provide evidence to support an identified assertion.
			√		Develop an expectation of recorded amounts or ratios when performing analytical procedures in an audit or non-audit engagement and determine whether the expectation is sufficiently precise to identify a misstatement in the entity's financial statements or disclosures.
			√		Perform analytical procedures during engagement planning for an audit or non-audit engagement.
			√		Perform analytical procedures near the end of an audit engagement that assist the auditor when forming an overall conclusion about whether the financial statements are consistent with the auditor's understanding of the entity.

			√		Perform analytical procedures using outputs (e.g., reports and visualizations) from audit data analytic techniques to determine relationships among variables and interpret results in an audit or non-audit engagement.
				√	Evaluate the reliability of data from which an expectation of recorded amounts or ratios is developed when performing analytical procedures in an audit or non-audit engagement.
				√	Evaluate the significance of the differences of recorded amounts from expected values when performing analytical procedures in an audit or non-audit engagement.
2. External confirmations		√			Prepare external confirmation requests to obtain relevant and reliable evidence in an audit engagement of an issuer or nonissuer, including considerations when using electronic confirmations.
		√			Use external confirmations to obtain relevant and reliable evidence in an audit engagement of an issuer or nonissuer, including considerations when using electronic confirmations.
			√		Analyze external confirmation responses in the audit of an issuer or nonissuer to determine the need for follow-up or further investigation.
3. Inquiry of management and others		√			Inquire of management and others to gather evidence and document the results in an audit or non-audit engagement.
			√		Analyze responses obtained during structured or informal interviews with management and others, including those in non-financial roles, and ask relevant and effective follow-up questions to understand their perspectives and motivations in an audit or non-audit engagement.
4. Observation and inspection			√		Perform tests of operating effectiveness of internal controls, including the analysis of exceptions to identify deficiencies in an audit of financial statements or an audit of

					internal control.
				√	Evaluate evidence through the use of observation and inspection procedures in an audit or non-audit engagement.
5. Recalculation and reperformance		√			Use recalculation and reperformance to obtain evidence in an audit or non-audit engagement.
6. All other procedures	√				Identify other procedures in addition to those set out in professional standards, as necessary, to achieve the audit objectives in an audit of an issuer or a nonissuer.
		√			Perform other procedures in addition to those set out in professional standards, as necessary, to achieve the audit objectives in an audit of an issuer or nonissuer.
			√		Modify planned procedures based upon new information, such as inconsistent explanations, new evidence and environmental cues, to achieve audit objectives in an audit of an issuer or a nonissuer.
			√		Determine the attributes, structure and sources of data needed to complete audit data analytic procedures.
			√		Use audit data analytic outputs (e.g., reports and visualizations) to determine relationships among variables and interpret results to meet objectives of planned procedures in an audit or non-audit engagement.
D. SPECIFIC MATTERS THAT REQUIRE SPECIAL CONSIDERATION					
1. Investments in securities and derivative instruments	√				Identify the considerations relating to the measurement and disclosure of the fair value of investments in securities and derivative instruments in an audit of an issuer or nonissuer.
		√			Test management's assumptions, conclusions and adjustments related to the valuation of investments in securities and derivative instruments in an audit of an issuer or nonissuer.
2. Inventory and inventory held by others			√		Analyze management's instructions and procedures for recording and controlling the results of an entity's physical inventory counting in an audit of an issuer or nonissuer.

				√	Observe the performance of inventory counting procedures, inspect the inventory and perform test counts to verify the ending inventory quantities in an audit of an issuer or nonissuer.
3. Litigation, claims and assessments		√			Perform appropriate audit procedures, such as inquiring of management and others, reviewing minutes and sending external confirmations, to detect the existence of litigation, claims and assessments in an audit of an issuer or nonissuer.
			√		Analyze management's estimate of the liability associated with litigation, claims and assessments in an audit of an issuer or nonissuer.
4. An entity's ability to continue as a going concern	√				Identify the factors that could cause substantial doubt about an entity's ability to continue as a going concern for a reasonable period of time in an audit of an issuer or nonissuer.
		√			Perform procedures related to the assessment of management's evaluation and conclusion regarding an entity's ability to continue as a going concern in an audit of an issuer or nonissuer.*
5. Accounting estimates, including fair value estimates			√		Perform procedures to analyze an entity's calculations and detailed support for significant accounting estimates in an audit of an issuer or nonissuer, including consideration of information that contradicts assumptions made by management.
				√	Evaluate the reasonableness of significant accounting estimates in an audit of an issuer or nonissuer.
E. MISSTATEMENTS AND INTERNAL CONTROL DEFICIENCIES					
		√			Prepare a summary of corrected and uncorrected misstatements.
			√		Determine the effect of uncorrected misstatements on an entity's financial statements in an audit or non-audit engagement.
			√		Determine the effect of identified misstatements on the assessment of internal control over financial reporting in an audit of an issuer or

					nonissuer.
				√	Evaluate the significance of internal control deficiencies on the risk of material misstatement of financial statements in an audit of an issuer or nonissuer.
F. WRITTEN REPRESENTATIONS					
	√				Identify the written representations that should be obtained from management or those charged with governance in an audit or non-audit engagement.
		√			Assist in the preparation of required written representations that should be obtained from management or those charged with governance in an audit or non-audit engagement.
G. SUBSEQUENT EVENTS AND SUBSEQUENTLY DISCOVERED FACTS					
		√			Perform procedures to identify subsequent events that could affect an entity's financial statements or the auditor's report, including 1) events that occur between the date of the financial statements and the date of the auditor's report and 2) facts that become known to the auditor after the date of the auditor's report in an audit of an issuer or nonissuer.
		√			Perform procedures to identify subsequent events that could affect an entity's financial statements or the accountant's report, including 1) events that occur between the date of the financial statements and the date of the report and 2) facts that become known to the accountant after the date of the report in a non-audit engagement.
			√		Determine whether identified subsequent events are appropriately reflected in an entity's financial statements and disclosures in an audit or non-audit engagement.

Area IV — Forming Conclusions and Reporting (10–20%)

Content group/Topic	Skill				Representative tasks
	Remembering	Application	Analysis	Evaluation	

	and understanding				
A. REPORTS ON AUDITING ENGAGEMENTS					
1. Forming an audit opinion, including modification of an auditor's opinion	√				Identify the factors that an auditor should consider when forming an opinion on an entity's financial statements.
	√				Identify the type of opinion that an auditor should render on the audit of an issuer or Nonissuer's financial statements, including unmodified (or unqualified), qualified, adverse or disclaimer of opinion.
	√				Identify the factors that an auditor should consider when it is necessary to modify the audit opinion on an issuer or nonissuer's financial statements, including when the financial statements are materially misstated and when the auditor is unable to obtain sufficient appropriate audit evidence.
2. Form and content of an audit report, including the use of emphasis-of-matter and other-matter (explanatory) paragraphs	√				Identify the appropriate form and content of an auditor's report for an audit of an issuer or nonissuer's financial statements, including the appropriate use of emphasis-of-matter and other-matter (i.e., explanatory) paragraphs.
		√			Prepare a draft auditor's report starting with a report example (e.g., an illustrative audit report from professional standards) for an audit of an issuer or nonissuer.
3. Audit of internal control integrated with an audit of financial statements	√				Identify the factors that an auditor should consider when forming an opinion on the effectiveness of internal control in an audit of internal control
	√				Identify the appropriate form and content of a report on the audit of internal control, including report modifications and the use of separate or combined reports for the audit of an entity's financial statements and the audit of internal control

		√			Prepare a draft report for an audit of internal control integrated with the audit of an entity's financial statements, starting with a report example (e.g., an illustrative report from professional standards)
B. REPORTS ON ATTESTATION ENGAGEMENTS					
1. General standards for attestation reports	√				Identify the factors that a practitioner should consider when issuing an examination or review report for an attestation engagement.
		√			Prepare a draft examination or review report for an attestation engagement starting with a report example (e.g., an illustrative report from professional standards).
2. Agreed-upon Procedures reports	√				Identify the factors that a practitioner should consider when issuing an agreed-upon procedures report for an attestation engagement.
		√			Prepare a draft agreed-upon procedures report for an attestation engagement starting with a report example (e.g., an illustrative report from professional standards).
3. Reporting on controls at a Service organization	√				Identify the factors that a service auditor should consider when reporting on the examination of controls at a service organization.
		√			Prepare a draft report for an engagement to report on the examination of controls at a service organization, starting with a report example (e.g., an illustrative report from professional standards).
C. ACCOUNTING AND REVIEW SERVICE ENGAGEMENTS					
1. Preparation engagements	√				Identify the factors that an accountant should consider when performing a preparation engagement.
2. Compilation reports	√				Identify the factors that an accountant should consider when reporting on an engagement to compile an

					entity's financial statements, including the proper form and content of the compilation report.
		√			Prepare a draft report for an engagement to compile an entity's financial statements, starting with a report example (e.g., an illustrative report from professional standards).
3. Review reports	√				Identify the factors that an accountant should consider when reporting on an engagement to review an entity's financial statements, including the proper form and content of the review report.
		√			Prepare a draft report for an engagement to review an entity's financial statements, starting with a report example (e.g., an illustrative report from professional standards).
D. REPORTING ON COMPLIANCE					
	√				Identify the factors that an auditor should consider when reporting on compliance with aspects of contractual agreements or regulatory requirements in connection with an audit of an entity's financial statements.
	√				Identify the factors that a practitioner should consider when reporting on an attestation engagement related to an entity's compliance with the requirements of specified laws, regulations, rules, contracts or grants, including reports on the effectiveness of internal controls over compliance with the requirements.
		√			Prepare a draft compliance report for an attestation engagement to report on an entity's compliance with the requirements of specified laws, regulations, rules, contracts or grants starting with a report example (e.g., an illustrative report from professional standards).

		√			Prepare a draft compliance report when reporting on compliance with aspects of contractual agreements or regulatory requirements in connection with an audit of an entity's financial statements starting with a report example (e.g., an illustrative report from professional standards).
E. OTHER REPORTING CONSIDERATIONS					
Comparative statements and Consistency between periods	√				Identify the factors that would affect the comparability or consistency of financial statements, including a change in accounting principle, the correction of a material misstatement and a material change in classification.
2. Other information in documents with Audited statements	√				Understand the auditor's responsibilities related to other information included in documents with audited financial statements.
3. Review of interim financial information	√				Identify the factors an auditor should consider when reporting on an engagement to review interim financial information.
4. Supplementary information	√				Identify the factors an auditor should consider when reporting on supplementary information included in or accompanying an entity's financial statements.
6. Special-purpose and other country frameworks	√				Identify the factors an auditor should consider when reporting on the audit of financial statements prepared in accordance with a financial reporting framework generally accepted in another country, when the financial statements are intended for use outside of the United States.
	√				Identify the factors an auditor should consider when reporting on the audit of financial statements prepared in accordance with a special-purpose framework, including cash basis, tax basis, regulatory basis, contractual basis or other basis.