

# Uniform CPA Examination Auditing and Attestation (AUD) Blueprint



# Auditing and Attestation

The Auditing and Attestation (AUD) section of the Uniform CPA Examination (the Exam) tests the knowledge and skills that nICPAs must demonstrate when performing the following engagements:

- **Audit engagements** include financial statement audits, compliance audits, audits of internal control integrated with an audit of financial statements, audits of entities receiving federal awards or grants and audits of financial statements of employee benefit plans subject to the Employee Retirement Income Security Act of 1974 (ERISA). Audits include issuer entities subject to the requirements set forth by the Public Company Accounting Oversight Board (PCAOB), nonissuer entities subject to the requirements set forth by the American Institute of CPA's (AICPA) Auditing Standards Board or governmental entities subject to the requirements of the U.S. Government Accountability Office (GAO) or the Office of Management and Budget (OMB).
- **Attestation engagements** include assertion-based examinations, direct examinations and review or agreed-upon procedures engagements that are subject to the requirements set forth by the AICPA's Auditing Standards Board.
- **Accounting and review service engagements** include preparation, compilation and review engagements that are subject to the requirements set forth by the AICPA's Accounting and Review Services Committee.

The assessment will focus on an nICPA's role in planning, risk assessment, performing procedures, obtaining evidence and reporting for these engagement types. The assessment will incorporate:

- Data and technology concepts with a focus on understanding how data is structured and flows through underlying systems, verifying the completeness and accuracy of source data and using the outputs of data analytic techniques to assist in risk assessment or to complete planned procedures.
- Professional skepticism and professional judgment with a focus on the critical assessment of evidence and the need to apply knowledge and experience to make informed decisions.
- Applied research with a focus on reviewing and using excerpts of source materials (e.g., auditing standards, attestation standards, accounting and

review services standards) to complete a range of tasks including identifying issues, analyzing facts and determining appropriate responses.

A list of reference materials relevant to the AUD section of the Exam is included under References at the conclusion of this introduction.

## 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 an nICPA may be expected to complete when performing various types of engagements.

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. Lists or examples included within the text of a representative task beginning with the word "including" are not intended to be exhaustive. Within some representative tasks are parenthetical lists. If a parenthetical list begins with "e.g.", this is not intended to be an exhaustive list but rather examples of the types of content that could be assessed. Parenthetical lists that do not include "e.g." are intended to be an exhaustive list of the content to be assessed with respect to that representative task.

## 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%

## Auditing and Attestation (continued)

### Overview of content areas

Area I of the AUD section blueprint covers ethics, professional responsibilities and general principles, including the following:

- Ethics and independence including understanding and applying the AICPA Code of Conduct and the ethical and independence requirements of the U.S. Securities and Exchange Commission (SEC), PCAOB, GAO and Department of Labor (DOL).
- Professional skepticism including the critical assessment of evidence and the need to apply knowledge and experience to make informed decisions.
- Nature, scope and terms of engagements including engagement preconditions.
- Requirements for engagement documentation and communication with management or those charged with governance.
- Understanding of audit and assurance quality on an engagement and responsibilities within a firm.

To the extent applicable, the audits of financial statements of employee benefit plans subject to ERISA are eligible for testing in each group and topic in this Area.

Area II of the AUD section blueprint covers planning and risk assessment and design of procedures responsive to identified risks. The Area includes the following:

- Engagement strategy and engagement planning.
- Internal and external factors related to understanding an entity and its environment including basic economic concepts such as supply and demand and business cycles.
- Understanding an entity's control environment and business processes including an understanding of the COSO Internal Control – Integrated Framework, entity-level controls and the design of internal controls, IT environment and related IT general controls. The IT environment consists of an entity's IT infrastructure, applications, processes to manage access to the IT environment and program change control, including personnel responsible for those processes.

- SOC 1® reports as they affect the audit of user-entity financial statements.
- Materiality including performance materiality or tolerable misstatement.
- Assessing and responding to risks of material misstatement, whether due to fraud or error.
- Planning for and using the work of others including management's specialists and auditor's specialists.
- Specific areas of engagement risk including compliance with laws and regulations, accounting estimates, related parties and requirements for single audits in accordance with the Uniform Guidance for Single Audits.

To the extent applicable, the audits of financial statements of employee benefit plans subject to ERISA are eligible for testing in each group and topic in this Area.

Area III of the AUD section blueprint covers performing procedures and obtaining evidence. The Area includes the following:

- Use of data and information including requesting, preparing and transforming data, reliability of data and information and data analytics.
- Sufficient appropriate evidence including sources of evidence and concluding on whether evidence obtained achieves the engagement's planned objectives.
- Sampling techniques including appropriate populations, sample size, stratification and extrapolation of results.
- Performing procedures to obtain evidence including tests of controls, tests of details, analytical procedures and external confirmations.
- Specific matters that require special audit consideration such as accounting estimates, investments in securities, inventory, litigation, claims and assessments, going-concern and testing transactions related to federal awards during a single audit.
- Misstatements and internal control deficiencies including preparing a summary of misstatements and determining their effect on the financial statements and the nature, timing and extent of procedures.

## Auditing and Attestation (continued)

- Written representations requested from management.
- Subsequent events including identification of subsequent events and the impact to an entity's financial statements and disclosures.

To the extent applicable, the audits of financial statements of employee benefit plans subject to ERISA are eligible for testing in each group and topic in this Area.

Area IV of the AUD section blueprint covers engagement reporting. The Area includes the following:

- Reporting on auditing and attestation engagements including factors to consider when forming an opinion, types of opinions and the appropriate form and content of a report.
- Considerations for performing preparation engagements.
- Considerations for reporting on compilation and review engagements, including the appropriate form and content of a report.
- Considerations for reporting on compliance aspects as part of an audit engagement or an attestation engagement related to compliance with a specific requirement or rule.
- Other reporting considerations when performing engagements, including consistency, other information, review of interim financial information, supplementary information, special-purpose frameworks and additional reporting requirements under GAO Government Auditing Standards.

### Section assumptions

The AUD section of the Exam includes multiple-choice questions and task-based simulations. When completing multiple-choice questions and task-based simulations in the AUD section of the Exam, candidates should be aware of the entity type and engagement type presented in the question.

To the extent that there are different requirements for an entity under audit or review, the question will include an explicit reference to the entity type (issuer or nonissuer).

Questions may refer to an audit engagement by including phrases such as “an audit of a nonissuer” or “an audit of an issuer”. Questions will refer to other types of engagements by including phrases such as “examination of pro forma financial information”, “review engagement”, “interim review”, “compilation engagement”, etc. The use of the terms “auditor”, “accountant” or “practitioner” will also be used to further identify engagement types and applicable professional standards. Candidates should be mindful of the engagement type when answering a question.

### Skill allocation

The Exam applies a skill framework based on the revised Bloom's Taxonomy of Educational Objectives<sup>2</sup>. Bloom's Taxonomy classifies a continuum of skills depicted in the table below:

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

<sup>2</sup> Revised taxonomy see Anderson, L.W. (Ed.), Krathwohl, D.R. (Ed.), Airasian, P.W., Cruikshank, K.A., Mayer, R.E., Pintrich, P.R., Rath, J., & Wittrock, M.C. (2001). A taxonomy for learning, teaching, and assessing: A revision of Bloom's Taxonomy of Educational Objectives (Complete Edition). New York: Longman. For original taxonomy see Bloom, B.S. (Ed.), Engelhart, M.D., Furst, E.J., Hill, W.H., & Krathwohl, D.R. (1956). Taxonomy of educational objectives: The classification of educational goals. Handbook 1: Cognitive domain. New York: David McKay.

## Auditing and Attestation (continued)

The AUD section of the Exam assesses content at all of the skill levels of Bloom's Taxonomy as described below:

- Remembering and Understanding is mainly concentrated in Area I and Area IV. Area I contains much of the general audit knowledge that is required for nCPAs. In Area IV, many of the tasks relate to reporting and are driven by templates and illustrative examples.
- 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 nCPAs perform, using standardized application tools such as audit programs and sampling techniques.
- 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, require nCPAs 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 an nCPA would reasonably be expected to perform.

### References – Auditing and Attestation

The References detailed below are the sources of the subject matter eligible for assessment in the AUD section, to the extent that the subject matter is included in the blueprint's content areas, groups and topics. Further, the assessment of the subject matter described in a representative task that identifies an organization, publication, law, regulation, standard or framework is limited to the specific sections of the References detailed below. Similarly, subject matter identified in a representative task and related subject matter is eligible for assessment to the extent it is included in the References detailed below.

- AICPA Statements on Auditing Standards and Related Auditing Interpretations

- PCAOB Auditing Standards (SEC approved), Auditing Interpretations and Ethics and Independence Rules
- U.S. GAO Government Auditing Standards
- Single Audit Act, as amended
- OMB Audit Requirements for Federal Awards (2 CFR 200)
- AICPA Statements on Quality Control Standards
- AICPA Statements on Standards for Accounting and Review Services and Related Accounting and Review Services Interpretations
- AICPA Statements on Standards for Attestation Engagements and Interpretations
- AICPA Audit and Accounting Guides
- AICPA Code of Professional Conduct
- Title III and Title IV of the Sarbanes-Oxley Act of 2002
- U.S. DOL Interpretive bulletins relating to guidelines on independence of accountant retained by Employee Benefit Plan (29 CFR 2509.75-9)
- U.S. SEC Independence Rules
- The Committee of Sponsoring Organizations of the Treadway Commission (COSO): Internal Control – Integrated Framework
- Current textbooks on auditing, attestation services, economics and ethics and independence

## 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 allocation	Weight
Evaluation	5–15%
Analysis	15–25%
Application	30–40%
Remembering and Understanding	30–40%

The following pages include the detailed blueprints that define the areas, groups, topics and representative tasks for the AUD section. It is important to note that the number of representative tasks associated with a particular content group or topic is not indicative of the extent to which such content group, topic or related skill level will be assessed on the Exam (i.e., more numerous tasks in a particular group, topic or skill compared to another should not infer more content weight assigned to that group, topic or skill).

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

	Skill				
Content group/topic	Remembering & Understanding	Application	Analysis	Evaluation	Representative Task
A. Ethics, independence and professional responsibilities					
1. AICPA Code of Professional Conduct	✓				Understand the principles, rules and interpretations included in the AICPA Code of Professional Conduct.
		✓			Apply the principles, rules and interpretations included in the AICPA Code of Professional Conduct to situations.
		✓			Apply the Conceptual Framework for Members in Public Practice and 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 Exchange Commission and the Public Company Accounting Oversight Board	✓				Understand the ethical and independence 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 compromise compliance or impair independence during an audit of an issuer.
3. Requirements of the Government Accountability Office and the Department of Labor	✓				Understand the ethical and independence requirements of the Government Accountability Office Government Auditing Standards.
	✓				Understand the independence requirements of the Department of Labor.

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

Content group/topic	Skill				Representative Task
	Remembering & Understanding	Application	Analysis	Evaluation	
A. Ethics, independence and professional responsibilities (continued)					
3. Requirements of the Government Accountability Office and the Department of Labor (continued)		✓			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 when an accountant would not be considered independent during an audit of employee benefit plans.
B. Professional skepticism and professional judgment					
	✓				Understand the concepts of professional skepticism and professional judgment.
	✓				Understand unconscious auditor biases and other impediments to acting with professional skepticism, including threats, incentives and judgment-making shortcuts.
C. Nature and scope					
1. Audit engagements	✓				Identify the nature, scope and objectives of the different types of audit engagements for issuers and nonissuers.
2. 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, including single audits.
3. Other engagements	✓				Identify the nature, scope and objectives of attestation engagements and accounting and review service engagements.



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

	Skill				
Content group/topic	Remembering & Understanding	Application	Analysis	Evaluation	Representative Task
D. Terms of engagement					
1. Preconditions for an engagement	✓				Identify the preconditions needed for accepting or continuing an engagement.
2. Terms of engagement and the engagement letter	✓				Identify the factors affecting the acceptance or continuance of an engagement, including communication with predecessor auditors.
	✓				Recall when it is acceptable to agree to management's request for 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 engagement in a written engagement letter or other suitable form of written agreement.
E. Requirements for engagement documentation					
	✓				Identify the elements that comprise sufficient appropriate documentation in physical or electronic form for an engagement.
	✓				Identify the requirements for the assembly and retention of documentation in physical or electronic form for an engagement.
		✓			Prepare documentation that is sufficient to enable an experienced auditor or practitioner having no previous connection with an engagement to understand the nature, timing, extent and results of procedures performed, the significant findings and conclusions reached and the significant professional judgments made.

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

	Skill				
Content group/topic	Remembering & Understanding	Application	Analysis	Evaluation	Representative Task
F. 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 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 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 engagement and the timing of such communications.
		✓			Prepare written communication materials for use in communicating identified internal control deficiencies and material weaknesses for an engagement to those charged with governance and management.
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%)

	Skill				
Content group/topic	Remembering & Understanding	Application	Analysis	Evaluation	Representative Task
A. Planning an engagement					
1. Overall engagement strategy	✓				Explain the purpose and significance of the overall engagement strategy for an engagement.
2. Engagement plan		✓			Prepare a draft engagement plan for specific processes, accounts or classes of transactions considering the prior period and changes in the current period.
		✓			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.
B. Understanding an entity and its environment					
1. External factors	✓				Understand supply and demand, elasticity measures and profit maximization (e.g. marginal cost, marginal revenue).
	✓				Understand the business cycles (trough, expansion, peak, recession) and leading, coincident and lagging indicators of economic activity (e.g., consumer price index, producer price index, federal funds rate, bond yields, unemployment).
		✓			Identify relevant factors (e.g., economic, environmental, financial reporting framework, government policy, industry, regulatory, supply chain, technology) that could impact an entity, its operations, and/or the inherent risk of material misstatement.
2. Internal factors	✓				Understand the entity's responsibilities with respect to the corporate governance provisions of the Sarbanes-Oxley Act of 2002.
		✓			Identify 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).

## Area II – Assessing Risk and Developing a Planned Response (25–35%) (continued)

	Skill				
Content group/topic	Remembering & Understanding	Application	Analysis	Evaluation	Representative Task
C. Understanding an entity’s control environment and business processes, including information technology (IT) systems					
1. COSO Internal Control – Integrated Framework	✓				Define internal control within the context of the COSO internal control framework, including the purpose, objectives and limitations of the framework.
	✓				Identify and define the components, principles and underlying structure of the COSO internal control framework.
2. Control environment, IT general controls, and entity-level controls	✓				Understand the elements of an entity’s control environment, including the design and implementation of IT general controls and entity-level controls.
		✓			Perform procedures to obtain an understanding of how an entity has responded to risks arising from the use of IT, including identifying and testing the design and implementation of relevant IT general controls.
3. Business processes and the design of internal controls, including the IT environment		✓			Identify and document the significant business processes and data flows that directly or indirectly impact an entity’s financial statements.
		✓			Perform a walkthrough of a significant business process and document (e.g., flow charts, process diagrams, narratives) the flow of relevant transactions and data from initiation through financial statement reporting and disclosure.
		✓			Obtain an understanding of an entity’s IT infrastructure (e.g., ERP, cloud computing or hosting arrangements, custom or packaged applications) and document the procedures performed to obtain that understanding.
		✓			Obtain an understanding of IT applications that are, directly or indirectly, the source of financial transactions or the data used to record financial transactions (e.g., how the entity uses IT applications to capture, store, and process information).
		✓			Perform tests of the design and implementation of relevant automated and manual transaction-level internal controls (e.g. authorizations and approvals, reconciliations, verifications, physical or logical controls, segregation of duties).

## Area II – Assessing Risk and Developing a Planned Response (25–35%) (continued)

	Skill				
Content group/topic	Remembering & Understanding	Application	Analysis	Evaluation	Representative Task
C. Understanding an entity's control environment and business processes, including information technology (IT) systems (continued)					
3. Business processes and the design of internal controls, including the IT environment (continued)			✓		Identify and document the relevant automated and manual controls within the flow of an entity's transactions for a significant business process and consider the effect of these controls on the completeness, accuracy and reliability of an entity's data.
				✓	Conclude whether relevant automated and manual transaction-level internal controls are effectively designed and placed in operation.
4. Implications of an entity using a service organization	✓				Understand the differences between SOC 1® and SOC 2® engagements.
		✓			Identify and document the purpose and significance of an entity's use of a service organization, including the impact of using a SOC 1® Type 2 report in an audit of an entity's financial statements.
		✓			Use a SOC 1® Type 2 report to determine the nature and extent of testing procedures to be performed in an audit of an entity's financial statements.
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. Materiality					
1. For the financial statements as a whole	✓				Understand materiality, including qualitative considerations, as it relates to the financial statements and related disclosures 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.

## Area II – Assessing Risk and Developing a Planned Response (25–35%) (continued)

	Skill				
Content group/topic	Remembering & Understanding	Application	Analysis	Evaluation	Representative Task
D. Materiality (continued)					
2. Tolerable misstatement and performance materiality	✓				Understand the use of tolerable misstatement or performance materiality in an audit.
		✓			Determine tolerable misstatement or performance materiality 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.
E. Assessing and responding to risks of material misstatement, whether due to fraud or error					
		✓			Determine the pressures, incentives and opportunities for fraud (e.g., fraudulent financial reporting, misappropriation of assets) that could lead to the risk of material misstatement.
		✓			Determine risk of material misstatement, whether due to fraud or error, at the financial statement level and relevant assertion level for each significant class of transactions, significant account and disclosure.
		✓			Determine a response to risks of material misstatement at the financial statement level (e.g. maintaining professional skepticism, engagement team supervision, incorporating elements of unpredictability), considering the auditor’s understanding of the control environment.
		✓			Determine appropriate procedures to assess the operating effectiveness of relevant controls.
		✓			Determine appropriate substantive procedures to test relevant assertions for each significant class of transactions, significant account and disclosure.
		✓			Determine procedures to satisfy the requirements and objectives of an attestation engagement.
		✓			Determine procedures to satisfy the requirements and objectives of an accounting and review services engagement.

## Area II – Assessing Risk and Developing a Planned Response (25–35%) (continued)

	Skill				
Content group/topic	Remembering & Understanding	Application	Analysis	Evaluation	Representative Task
E. Assessing and responding to risks of material misstatement, whether due to fraud or error (continued)					
			✓		Assess risks of material misstatement, whether due to fraud or error, at the financial statement level and develop a response by leveraging the combined knowledge and understanding of the engagement team.
			✓		Assess the potential impact of identified risks of material misstatement at the relevant assertion level for each significant class of transactions, significant account and disclosure, considering the controls the auditor intends to test.
			✓		Analyze the risk of material misstatement, including the potential impact of individual and cumulative misstatements, to provide a basis for developing planned audit procedures.
			✓		Use outputs from audit data analytic procedures (e.g. reports and visualizations) to identify transactions that may have a higher risk of material misstatement and interpret the results to develop planned audit procedures.
F. Planning for and using the work of others					
	✓				Identify the factors to consider in determining the extent to which an engagement team can use the work of the internal audit function, IT auditor, auditor's specialist, management's specialist or a component auditor.
		✓			Determine the nature and scope of the work of the internal audit function, IT auditor, auditor's specialist, management's specialist or component auditor.
		✓			Perform and document procedures to determine the extent to which an engagement team can use the work of the internal audit function, IT auditor, auditor's specialist, management's specialist or a component auditor.

## Area II – Assessing Risk and Developing a Planned Response (25–35%) (continued)

	Skill				
Content group/topic	Remembering & Understanding	Application	Analysis	Evaluation	Representative Task
G. Specific areas of engagement risk					
1. An entity's compliance with laws and regulations	✓				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 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 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 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 engagement.
2. Accounting estimates	✓				Recognize the potential impact of lower complexity and higher complexity 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, including consideration of significant unusual transactions and transactions with executive officers.
4. Uniform Guidance for single audits	✓				Understand when an entity is required to have a single audit in accordance with the audit requirements of the Uniform Guidance, including the identification of federal awards and major programs.



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

Content group/topic	Skill				Representative Task
	Remembering & Understanding	Application	Analysis	Evaluation	
A. Use of data and information					
1. Requesting, preparing and transforming data	✓				Explain the components of a relational database (e.g., tables, records, fields/ attributes, primary and foreign keys, normalization).
	✓				Explain the characteristics and uses of different measurement scales (e.g., nominal, ordinal, interval, ratio, continuous, discrete).
		✓			Determine attribute structures, format, and sources of data needed when making a data extraction request to complete planned procedures.
		✓			Determine methods to transform (e.g., preparing, cleaning, scrubbing) data to complete planned procedures.
2. Reliability of data and information		✓			Perform procedures (e.g., agreeing information to original sources such as general ledger, subledger or external information sources, validating search or query criteria used to obtain data) to validate the reliability (completeness, accuracy, authenticity and susceptibility to management bias) of data and information obtained.
3. Data analytics		✓			Describe how to apply automated tools and techniques to process, organize, structure or present data in a given context to generate useful information that can be used as evidence.
			✓		Perform procedures using outputs (e.g. reports, visualizations) from audit data analytic techniques to determine relationships, trends or notable items in the data and identify the appropriate audit response.
B. Sufficient appropriate evidence					
		✓			Determine the sources of sufficient appropriate evidence (e.g., obtained from management specialists, obtained from external sources, developed by the audit team from internal or external sources).

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

Content group/topic	Skill				Representative Task
	Remembering & Understanding	Application	Analysis	Evaluation	
B. Sufficient appropriate evidence (continued)					
			✓		Exercise professional skepticism and professional judgment while analyzing information to be used as audit evidence taking into account its relevance and reliability, authenticity and whether such information corroborates or contradicts the assertions in the financial statements.
				✓	Conclude whether sufficient appropriate evidence has been obtained to achieve the objectives of the planned procedures.
C. Sampling techniques					
	✓				Understand the purpose and application of sampling techniques including the use of automated tools and audit data analytic techniques to identify significant events or transactions that may impact the financial statements.
	✓				Identify the appropriate population of items to sample to meet the objectives of the planned procedures.
		✓			Determine the appropriate sampling method to be used in order to accomplish the objective (control, attribute, test of detail) of the planned procedures.
		✓			Use sampling techniques to extrapolate the characteristics of a population from a sample of items.
D. Procedures to obtain sufficient appropriate evidence					
1. Test of controls and test of details		✓			Use observation and inspection to obtain evidence.
		✓			Use recalculation (manually or using automated tools and techniques) to test the mathematical accuracy of information to obtain evidence.
		✓			Use reperformance to independently execute procedures or controls to obtain evidence.
		✓			Inquire of management and others to gather evidence and document the results.

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

	Skill				
Content group/topic	Remembering & Understanding	Application	Analysis	Evaluation	Representative Task
D. Procedures to obtain sufficient appropriate evidence (continued)					
1. Test of controls and test of details (continued)			✓		Analyze responses obtained during structured interviews or informal conversations with management and others, including those in non-financial roles, and ask relevant and effective follow-up questions to understand their perspectives and motivations.
			✓		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.
			✓		Perform tests of details, including the analysis of exceptions, to identify potential misstatements in an audit of financial statements.
2. Analytical procedures		✓			Determine the suitability of substantive analytical procedures to provide evidence to support an identified assertion.
			✓		Perform substantive analytical procedures, including developing an expectation, on an account balance to provide evidence to support an identified assertion.
			✓		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.
				✓	Evaluate and investigate differences resulting from analytical procedures (e.g., fluctuations or relationships that are inconsistent with other information or expected values).
3. External confirmations		✓			Confirm significant account balances and transactions using appropriate tools and techniques (e.g., confirmation services, electronic confirmations, manual confirmations) to obtain relevant and reliable evidence.
			✓		Analyze external confirmation responses to determine the need for follow-up or further investigation.

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

	Skill				
Content group/topic	Remembering & Understanding	Application	Analysis	Evaluation	Representative Task
E. Specific matters that require special consideration					
1. Accounting estimates		✓			Recalculate and reperform procedures to validate the inputs and assumptions of an entity's significant accounting estimates with a higher risk of material misstatement or complexity, such as fair value estimates.
			✓		Perform procedures (e.g. reviewing the work of a specialist and procedures performed by the engagement team) to validate an entity's calculations and detailed support for significant accounting estimates, including consideration of information that contradicts assumptions made by management.
				✓	Conclude on the reasonableness of significant accounting estimates with a lower risk of material misstatement or complexity in an audit.
2. Investments in securities	✓				Identify the considerations relating to the measurement and disclosure of the fair value of investments in securities in an audit.
		✓			Test management's assumptions, conclusions and adjustments related to the valuation of investments in securities in an audit.
3. Inventory and inventory held by others				✓	Test the ending inventory quantities in an audit by obtaining evidence regarding the existence and condition of inventory and inventory held by others (e.g., inventory counting procedures, confirmation) and conclude whether inventory records accurately reflect count results.
4. Litigation, claims and assessments		✓			Perform appropriate audit procedures, including inquiring of management and others, reviewing minutes and sending external confirmations, to detect the existence of litigation, claims and assessments.
5. An entity's ability to continue as a going concern	✓				Identify factors that should be considered while performing planned procedures that may indicate substantial doubt about an entity's ability to continue as a going concern for a reasonable period of time.

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

Content group/topic	Skill				Representative Task
	Remembering & Understanding	Application	Analysis	Evaluation	
E. Specific matters that require special consideration (continued)					
6. Uniform Guidance for single audits		✓			Test transactions related to federal awards for compliance with statutes, regulations, and the terms and conditions of the federal awards.
F. 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 engagement.
			✓		Determine the effect of identified misstatements on the assessment of internal control over financial reporting, individually and in the aggregate.
				✓	Evaluate internal control deficiencies to determine potential impact on the nature, timing, and extent of audit procedures.
G. Written representations					
	✓				Identify the written representations that should be obtained from management or those charged with governance in an engagement.
H. Subsequent events and subsequently discovered facts					
	✓				Recall the impact of subsequently discovered facts on the auditor's report.
		✓			Perform procedures to identify subsequent events that should be reflected in an entity's current period financial statements and disclosures.
			✓		Determine whether identified subsequent events are appropriately reflected in an entity's financial statements and disclosures.

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

Content group/topic	Skill				Representative Task
	Remembering & Understanding	Application	Analysis	Evaluation	
A. Reporting on audit engagements					
	✓				Identify the factors that an auditor should consider when forming an opinion on an entity's 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 over financial reporting that is integrated with an audit of financial statements.
	✓				Identify the type of opinion (unqualified or unmodified, qualified, adverse, or disclaimer of opinion) that an auditor should render on the audit of an issuer or nonissuer's financial statements.
	✓				Identify the appropriate use of emphasis-of-matter and other-matter (explanatory) paragraphs.
		✓			Determine the appropriate form and content of an auditor's report for an engagement, including the appropriate use of emphasis-of-matter and other-matter (explanatory) paragraphs.
		✓			Determine the appropriate form and content of a report on the audit of internal control over financial reporting, 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.
B. Reporting on attestation engagements					
1. Examination or review engagements	✓				Identify the factors that a practitioner should consider when issuing an assertion-based examination, direct examination or review report.
		✓			Determine the appropriate form and content of an accountant's report for an assertion-based examination, direct examination, or review for an attestation engagement.

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

Content group/topic	Skill				Representative Task
	Remembering & Understanding	Application	Analysis	Evaluation	
B. Reporting on attestation engagements (continued)					
2. Agreed-upon procedures engagements	✓				Identify the factors that a practitioner should consider when issuing an agreed-upon procedures report for an attestation engagement.
		✓			Determine the appropriate form and content of an agreed-upon procedures report for an attestation engagement.
C. Accounting and review service engagements					
1. Preparation engagements	✓				Identify the factors that an accountant should consider when performing a preparation engagement.
2. Compilation engagements	✓				Identify the factors that an accountant should consider when reporting on an engagement to compile an entity's financial statements.
		✓			Determine the appropriate form and content of an accountant's report for a compilation engagement.
3. Review engagements	✓				Identify the factors that an accountant should consider when reporting on an engagement to review an entity's financial statements.
		✓			Determine the appropriate form and content of an accountant's report for a review engagement.
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, and reports on the effectiveness of internal controls over compliance with the requirements.

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

	Skill				
Content group/topic	Remembering & Understanding	Application	Analysis	Evaluation	Representative Task
E. Other reporting considerations					
1. Comparative statements and consistency between periods	✓				Identify the factors (change in accounting principle, the correction of a material misstatement, or a material change in classification) that would affect the comparability or consistency of financial statements.
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.
5. Additional reporting requirements under Government Accountability Office Government Auditing Standards	✓				Identify requirements under Government Accountability Office Government Auditing Standards related to reporting on internal control over financial reporting and compliance with provisions of the law, regulations, contracts, grant agreements and federal awards that have a material effect on the financial statements.
	✓				Understand the requirements when preparing the auditor's report on compliance and internal control over compliance – major programs and the auditor's schedule of findings and questioned costs for a single audit.
6. Special-purpose frameworks	✓				Identify the factors an auditor should consider when reporting on the audit of financial statements prepared in accordance with the cash basis, tax basis, regulatory basis, contractual basis or other basis of accounting.