### SYSTEM DESCRIPTION FOR AUDIT COMPONENTS

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Auditee:** |  | **Reviewed by:** | **Name** | **Rank** | **Date** |
| **Period end:** |  | **Level 1** |  |  |  |
| **Prepared by:** |  | **Level 2** |  |  |  |
| **Rank:** |  | **Level 3** |  |  |  |
| **Date:** |  |  |  |  |  |

**Component: *(e.g. Admin expenses, Professional fees, Travel and subsistence, etc.)***

**List all the risks identified affecting this audit component from the Risk of material misstatement on a financial statement level.**

**List of legislation and regulations relevant to the component used to compile the system description:**

**Items selected for the performance of the walkthrough:**

*[List the actual voucher number / transaction which is used to perform the walkthrough. Select transactions to cover all the key controls identified]*

| **Transaction life cycle / Process** | **Risk** | **Potential key controls** | **Assertions** | **Is the risk significant?****(Yes/No)** | **Documentation or forms / screens used** | **Responsible personnel** | **Accounting entries (Debit and Credit)** | **Walk-through procedures:****Have controls been implemented?****(Yes/No)** | **Have legislative requirements been met? (Yes/No)** | **Exceptions raised / risks identified** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| *e.g. Acquisition of goods or services* | *e.g. Goods and services are purchased without authorisation* | *e.g. Approvals for acquisitions are authorised by a delegated official**{transfer key controls identified to the Reliance on key controls wp]* | *e.g. Occurrence* | *[Fraud risks such as potential invalid expenditure]*  | *e.g. payment advice form* | *[insert name and level of the responsible personnel]* | *e.g. Dr Expenditure Cr Bank* | *If no, raise an exception* | *Yes* | *Exceptions should be raised for weaknesses in controls identified or any non-compliance with laws or regulations.* |
|  |  |  |  |  |  |  |  |  |  |  |