

## Audit Program – Equity

Particulars	Test required Y/N	Results satisfactory Y/N	Sch Ref	Comments	Initials and date
<b>General</b>					
1. Agreed the opening balances to last year's accounts.	Y	Y	EQ-1		
2. Obtained and checked, or prepared a lead schedule for the current year's figures and reconciled this to the nominal ledger.	Y	Y	EQ-1		
3. Examined any material journal entries or other adjustments made during the course of preparing the financial statements.	Y	Y	EQ-1		
4. Carried out analytical procedures such as: (a) comparison of the current figures with those of prior periods; (b) reviewed of key ratios or other performance indicators;	Y	Y	EQ-1		
5. Reviewed the planned extent of reliance on internal controls in this area and consider whether this remains appropriate.	Y	Y	C5.1		
6. Assessed whether the initial materiality and/or risk assessment should be revised in view of the audit evidence obtained. Recorded details of any necessary adjustments on B5 or B8. Considered the impact on the remainder of the audit work and on any work under taken to date.	N	N/A	N/A	No revision required	
7. Reviewed for large and/or unusual items and verify.	Y	Y	EQ-1		
<b>Statutory records</b>					
8. Obtained copies of statutory records for this period.	Y	Y	EQ-1		
9. Ensured that all changes in directors and secretaries and their interests in shares or debentures have been entered into the relevant register.	Y	Y	EQ-1		
10. Agreed details in the share register to: (a) the accounts; (b) the annual return, and (c) the directors' report.	Y	Y	EQ-1		
<b>Dividends</b>					
11. Where a dividend is proposed or has been paid in the period, considered whether the distribution is legal.	Y	Y	EQ-1		
12. Where a dividend is illegal considered whether: (a) this is adequately disclosed in the accounts, and (b) a debtor or contingent asset should be shown.	N	N/A	N/A		
13. Had interest, dividends, losses or gains relating to a financial instrument or a component that is a financial liability been recognised as income or an expense in the profit or loss?	Y	Y	EQ-1		
14. Had distributions to holders of equity instruments been debited directly to equity?	Y	Y	EQ-1		
<b>Share capital</b>					
15. Recorded details of any changes in share capital in this period and ensure that these have been	Y	Y	EQ-1		

properly reflected in the accounts.					
16. For shares issued in the period: had these (or their components) been classified on initial recognition as a financial liability or an equity instrument in accordance with the substance of the contractual arrangements?	Y	Y	EQ-1		
<b>Share premium</b>					
Verified any addition in share premium from issue of share capital and any unauthorized distribution from share premium in this period.	N	N/A	N/A	No addition or adjustment in this period	
<b>Reserves</b>					
17. Schedule all movements in reserves: (a) Ensured that transfers between reserves are correctly treated and authorised, and (b) Ensured that the treatment in the accounts is correct.	Y	Y	EQ-1		
<b>Control</b>					
18. Ascertained details of the ultimate controlling party and ensure that correct disclosure is made in the accounts.	Y	Y	EQ-1		
<b>Bespoke tests</b>					
19. Drafted any necessary additional tests such as those required by C6.3 and cross reference with the objectives on the summary sheet.	N	N/A	N/A		
<b>Conclusion</b>					
20. Considered whether there are any points which need to be included in a letter of representation or letter of comment and record on A5 or A6 as appropriate.	N	N/A	N/A		

<b>Company</b>	<b>XYZ Limited</b>	<b>W/P Reference</b>	<b>EQ-1</b>
<b>Prepared By</b>	Mr. A	<b>Date</b>	DD-MM-YYYY
<b>Reviewed By</b>	Mr. B	<b>Date</b>	DD-MM-YYYY
<b>Period ended</b>	DD-MM-YYYY		

<b>Procedure Name:</b>	Test of details on Equity
------------------------	---------------------------

<b>Objective:</b>	To check the completeness, existence, accuracy and presentation of share capital and reserves of XYZ Limited.
-------------------	---

<b>Procedure details:</b>	<ol style="list-style-type: none"> <li>1. Obtained a schedule of all equity accounts showing number of shares authorized, issued, and outstanding at the beginning and end of the year and all transactions affecting equity (e.g., dividends, retained earnings) occurring during the year.</li> <li>2. Traced totals to the general ledger.</li> <li>3. Checked the number of shares and amount of issued, subscribed and paid up capital from schedule X (Annual summary of share capital and list of shareholders).</li> <li>4. For shares issued as stock dividend, checked board resolution and member's register to ensure the reflection of the change in equity.</li> <li>5. Reviewed extracts of board minutes for dividends proposed and paid.</li> <li>6. Checked the journal entries of dividend payment.</li> <li>7. Checked whether each class of authorised shares, the title of issue, par or stated value per share, and the number of shares authorized, issued, and outstanding are properly recorded and disclosed.</li> <li>8. Obtained a schedule of Revaluation of fixed assets showing assets wise detail, cost of the assets, revalued amount.</li> <li>9. Checked compliance with the requirement of IAS 12 "Income Taxes (Revised)" in respect of deferred Tax on surplus on revaluation of fixed assets.</li> <li>10. Compared current figures with those of the prior figures.</li> </ol>
---------------------------	---

<b>Assertions covered:</b>	Completeness, Existence, Accuracy, Presentation and disclosure
----------------------------	--

<b>Sampling technique:</b>	Entire population.
----------------------------	--------------------

### Testing

In Taka	2014	2013	Difference (In amount)	Difference (In percentage)
Share capital	343,944,021	285,820,824	58,123,197	20.34%
Share premium	351,340,343	333,302,465	18,037,878	5.41%
Reserves	1,049,866,633	1,005,465,390	44,401,243	4.42%
Retained earnings	4,861,534,405	4,012,663,572	848,870,833	21.15%
Total	6,606,685,402	5,637,252,251	969,433,151	17.20%

Please see the referenced trial balance N and notes to the FS 14, 15, and 16

Share capital – paid up

<i>In Taka</i>	<b>2014</b>	<b>2013</b>	<b>Difference (In amount)</b>	<b>Difference (In percentage)</b>
In issue at 1 January	285,820,824	237,738,330	48,082,494	20.22%
Bonus share issued	57,323,537	47,636,804	9,686,733	20.33%
Issued for Zero Coupon Bond	796,860	445,690	351,170	78.79%
Issued for amalgamation	2,800	-	0	100.00%
<b>In issue at 31 December - fully paid</b>	<b>343,944,021</b>	<b>285,820,824</b>	<b>58,123,197</b>	<b>20.34%</b>
Authorised - par value Tk. 10	500,000,000	500,000,000	0	0.00%

#### Number and percentage of shareholdings:

	<b>No. of share</b>		<b>Percentage</b>		<b>Value (Taka)</b>	
	<b>2014</b>	2013	<b>2014</b>	2013	<b>2014</b>	<b>2013</b>
Directors & sponsors	<b>12,048,813</b>	10,038,279	<b>35.03%</b>	35.03%	<b>120,488,130</b>	100,382,790
Institutions	<b>10,530,284</b>	10,799,816	<b>30.62%</b>	30.62%	<b>105,302,840</b>	105,302,840
General shareholders	<b>11,815,304</b>	7,743,987	<b>34.35%</b>	34.35%	<b>118,153,051</b>	77,439,874
Total	<b>34,394,401</b>	28,582,082	<b>100.00%</b>	100.00%	<b>343,944,021</b>	285,820,824

#### Distribution schedule of shares as at 31 December 2014

	<b>Number of shareholders</b>	<b>Percentage of total shareholdings</b>	<b>Number of shares</b>
<i>Share owning</i>			
Less than 500	<b>13,559</b>	<b>4.38</b>	<b>1,507,249</b>
501-5,000	<b>2,237</b>	<b>9.17</b>	<b>3,153,576</b>
5,001-10,000	<b>169</b>	<b>3.59</b>	<b>1,234,952</b>
10,001-20,000	<b>87</b>	<b>3.65</b>	<b>1,255,327</b>
20,001-30,000	<b>43</b>	<b>3.31</b>	<b>1,136,884</b>
30,001-40,000	<b>22</b>	<b>2.25</b>	<b>772,304</b>
40,001-50,000	<b>17</b>	<b>2.19</b>	<b>752,370</b>
50,001-100,000	<b>25</b>	<b>5.08</b>	<b>1,747,766</b>
100,001-1,000,000	<b>22</b>	<b>26.35</b>	<b>9,062,143</b>
Over-1,000,000	<b>4</b>	<b>40.04</b>	<b>13,771,830</b>
	<b>16,185</b>	<b>100.00</b>	<b>34,394,401</b>

#### Share premium

<i>In Taka</i>	<b>2014</b>	<b>2013</b>
Balance at 1 January	333,302,465	321,892,801
Issued for Zero Coupon Bond	17,929,350	11,409,664
Issued for amalgamation	108,528	-
<b>Balance at 31 December</b>	<b>351,340,343</b>	<b>333,302,465</b>

#### Reserves

<i>In Taka</i>	<b>2014</b>	<b>2013</b>
Capital reserve	1,671,386	1,671,386

Revaluation surplus	890,868,633	892,463,915
Available-for-sale reserve	157,326,614	111,330,089
	1,049,866,633	1,005,465,390

#### Revaluation surplus

<i>In Taka</i>	<b>2014</b>	<b>2013</b>
Balance as at 1 January	892,463,915	1,671,386
Realised during the year	(1,595,282)	(2,158,044)
Balance as at 31 December	890,868,633	892,463,915

<b>Observation:</b>	No observation was noted.
---------------------	---------------------------

<b>Conclusion</b>	Satisfactory.
-------------------	---------------

**Disclaimer:** Dummy audit working files have been prepared and published to improve the quality of audit documentation of member firms providing audit services in Bangladesh. Member firms providing audit services should not assume these dummy working files as absolute benchmark for the purpose of preparing and keeping audit documentation. Every audit client has unique characteristics and risks. International Standards on Auditing (ISA) also requires to exercise engagement partner's judgment on a number of areas in conducting the audit of an entity. Therefore, member firms should use their professional knowledge, skill, experiences along with these dummy working files to keep adequate and appropriate working papers for each audit engagement. The preparers do not assume any liability for drawing an inappropriate audit opinion based on the working papers prepared on the basis of these dummy working files.