

## Engagement delivery

Our engagements follow methodological guidelines and policies that aim to maintain integrity, compliance with local and international regulations and the incorporation of good global practices.

In the Professional practice, risk management and quality control are the responsibility of each professional in the Organization, who must adhere to the policies and procedures (including independence policies) and to the extensive range of tools developed to support them in meeting these expectations. The policies and procedures we have established for audits include the requirements for accounting, audit, ethics and quality control standards and other relevant laws and regulations.

## Audit tools and methodology

We continually invest in updating our standards and the tools we use in our day-to-day activities. KPMG's global audit methodology was developed by the Global Service Centre (GSC) and is described in the KPMG Audit Manual (KAM). The tool is based on International Standards on Auditing

(ISA) and includes requirements that go beyond the requirements established in this document, particularly where KPMG believes this can increase the quality of our analyses. The member firms of KPMG International can also include local procedures to comply with professional, legal or regulatory requirements.

Our methodology encourages engagement teams to exercise professional skepticism in all aspects, from audit planning to execution. To support them in this process, KAM provides procedures for identifying and assessing the risk of material misstatement and procedures for dealing with those assessed risks.

The KAM methodology also requires the implementation of quality control procedures at the engagement level that provides us with reasonable assurance that our engagements comply with relevant professional, legal, regulatory and KPMG requirements.

Its policies and procedures are specific to the Audit practice and are supplemented by the requirements set out in the Global Quality and Risk Management Manual (GQ&RM Manual), which is applicable to all KPMG

International member firms, functions and personnel. The provisions of International Standard of Quality Control I (ISQC-I) are addressed through KAM and implemented at member firms through the Q&RM Manual.

Our audit methodology is supported by eAudit, an electronic tool used by our Organization, which provides auditors from member firms worldwide with the methodology, guidelines and industry knowledge necessary to conduct efficient and high-quality audits.

The eAudit workflow provides teams with immediate access to relevant information at the right time during the audit, thus increasing efficiency and value for our clients. The main activities included in the eAudit work flow are:





## Engagement set up

- Engagement acceptance and scoping
- Team building and scheduling



## Risk assessment

- Understand the entity and identify and assess risks
- Plan for the involvement of specialists, including experts, internal audit, service organizations and other auditors
- Evaluate, design and implement the selected controls
- Assess risk and discuss planning
- Determine the audit strategy and planned audit approach



## Delivery

- Update risk assessment
- Perform completion procedures, including overall reviews of the financial statements
- Perform overall assessment, including assessment of significant findings and issues.
- Communicate with the individuals responsible for governance (for example, the Audit Committee)
- Form the audit opinion



## Tests

- Test operating effectiveness of selected controls
- Plan and perform substantive procedures