

2.7.3 Access to workpapers

Introduction

This section provides policies and guidance on:

- providing access of Audit Office (the Office) workpapers to a third party such as an individual conducting due diligence reviews authorised by the Treasurer or Minister for Local Government
- requesting access from a third party of their workpapers, such as a predecessor auditor.

Information in workpapers is confidential and likely to contain sensitive content. In addition, workpaper templates may contain the intellectual property (IP) of other parties. Therefore, maintaining control of them at all times is important.

In certain circumstances, the operation of section 38 of the *Government Sector Audit Act 1983* (GSA Act) or section 425 of the *Local Government Act 1993* (LG Act), may require or permit the Office to provide access to workpapers to a third party (for example, due diligence reviews authorised by the Treasurer or Minister for Local Government).

Policies and guidance – providing access

The following requirements do not apply to:

- ASPs with whom the Office has contracted out the delivery of an existing engagement
- entities with whom the Office has contracted with for the purposes of quality assurance, internal audit activities and other operational arrangements unless specifically highlighted within the sections below.

Providing access to workpapers

1. All workpapers, whether in hard copy or electronic format, are the property of the Office.
2. Information in workpapers is confidential. The Office must control and keep secure workpapers at all times and provide access to them only when legally permitted (refer section 38 of the GSA Act or section 425 of the LG Act).
3. Circumstances may occur when the Office is required to provide access to its workpapers for inspection, including when required to do so by law or an order of the court, such as under section 22 of the *Independent Commission Against Corruption Act 1988*.
4. The Office may be authorised by the Treasurer (GSA Act) or Minister for Local Government (LG Act) to provide access to workpapers to individuals for the purposes of a due diligence or similar process relating to the sale of any government or council undertaking. Access to workpapers is expressly permitted (if authorised by the Treasurer or Minister for Local Government) in these instances under section 38(2)(e) of the GSA Act and section 425(2)(e) of the LG Act.

Obtaining authorisation and access letters when access is provided

5. **Before granting access to workpapers, the Engagement Controller (EC) must consult with the Executive Director, Professional Services and Director, Governance (Legal) to assess the appropriateness of the request and whether permission should be granted before requesting approval from the Deputy Auditor-General.**

6. **In the unlikely event of a request being made by a third party to access Office workpapers in relation to an auditee (aside from requests as required by law), the EC must obtain written acknowledgement from appropriate auditee management and written agreement from the third party before providing such access.**
7. 'Appendix 1 – Example Letters' of [Guidance Statement GS 011 Third Party Access to Audit Working Papers](#) should be used as the basis for obtaining written acknowledgement from the auditee and written agreement from the third party.
8. When providing access to Office workpapers to ASPs with whom the Office shares responsibility for the delivery of an existing engagement, ECs may provide access to prior year workpapers but must protect the IP of the Office's methodology supplier and the predecessor ASP (if applicable).

Workpapers to which the Office provides access

9. When the Office agrees to provide access to workpapers, it is appropriate to only provide such access to workpapers that are necessary to demonstrate the results of the audit work performed.
10. Workpapers that contain intellectual property (IP) of a third party must not be shared with a third party (including ASPs) unless the Office is legally required to do so. Many financial audit workpapers are based on templates provided under agreement by the Office's audit methodology supplier. The Trial Balance workbook is subject to copyright held by another Audit Office. Intellectual property is subject to contractual provisions and legal limitations regarding access, copying and sharing.
11. The Office does not provide access to administrative information such as time recording and billing information, unless required to do so by law.
12. Uncertainty about whether access can be given to certain workpapers should be resolved through consultation with the Executive Director, Professional Services and Director Governance (Legal).

Inspection of workpapers

13. **Before providing access to workpapers, the EC must inspect the workpapers to ascertain if they are appropriate and do not contain information not permitted to be shared under this policy.**
14. The EC or Engagement Manager (EM) must be present whenever a third party is given access to workpapers. If it is not practical for the EC or EM to be present, virtual access may be granted after approval by the Executive Director, Professional Services.

Request for copies

15. **Requests for copies of workpapers to which the Office has provided access must be approved by the Deputy Auditor-General.** A list of any copies of workpapers furnished (alternatively, a duplicate set of the copies furnished) must be maintained and filed in the auditee's HPE CM z file container.

Policies and guidance – requesting access

Requesting access to workpapers

16. Circumstances may occur when the Office requires access to the workpapers of a third party. Examples include predecessor auditors, internal audit providers (where the auditee's contract with the provider does not stipulate that internal audit workpapers become their property), and other external audit providers engaged by the auditee or their service provider for specific audit or assurance engagements.
17. The EC must request access to the workpapers of a third party through appropriate auditee management.

Signing access letters when access is requested

18. Before being granted access, the third party may request the Office to sign a letter agreeing to terms and conditions that govern access to the workpapers.

19. **When the Office is requesting access to workpapers of a:**

- **third party or**
- **predecessor auditor or ASP**

the EC must obtain approval from the Deputy Auditor-General before signing a letter agreeing to their terms and conditions in relation to access to their workpapers.

Effective date

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