

# *Audit Evidence*

## *Actual audit approaches 2/2*

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# **Assertions**

Accuracy (A) - amounts and other data relating to recorded transactions and events have been recorded accurately.

Completeness (C) – all assets, liabilities and equity interests that should have been recorded have been recorded.

Cut-off (CO) – transactions and events have been recorded in the correct accounting period.

Existence/Occurrence (E/O) –

Existence: assets, liabilities and equity interests exists.

Occurrence: disclosed events, transactions and other matters have occurred and pertain to the entity.

Presentation and Disclosure (PD) – financial information appropriately presented and described and disclosures are clearly expressed.

Rights and Obligations (R/O) – the entity holds or controls the rights to assets and liabilities are the obligations of the entity.

Valuation (V) – assets, liabilities and equity interests are included in the financial statements at appropriate amounts and any resulting valuation adjustments are appropriately recorded.

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# *Fixed Assets*

## **Fixed Assets**

- Movement table
- Agreement to fixed assets register
- Testing of additions and disposals
- Impairment assesement
- Physical observation

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# ***Inventory***

***Agree detail to general ledger***

***Testing of costing (RM, WIP, FG)***

***Impairment recalculation***

***Physical observation***

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# *Provisions and accruals*

## **Provisions and accruals**

- Movement table
- Recalculation of provisions
- Detailed testing of accruals (scanning)

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**Agree detail to general ledger**

**Fluctuation analysis**

**Confirmations**

**Payables**

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**REVENUES**

*Detailed testing*  
*Substantive analytical procedure*

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**FX,  
interest  
costs**

*Recalculation*



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# *Taxes*

- Recalculation of CIT (Corporate income tax), DT (Deferred tax)
- Paid tax agreed to bank statement
- Paid tax advances agreed to bank statements and CIT returns

# *Questions*

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# *Thank you for your attention.*

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