|  |  |  |  |
| --- | --- | --- | --- |
| **Client:** | ABC Bangladesh Limited | **Year end:** | 31 December 2021 |
| **Audit program:** | - Inventory  - Cost of sales | **Ref. No.:** |  |

**Audit Accounts summary**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Accounts** | **Assertions** | **2021** | **2020** | **Variances** |
| Cost of sales | CEA |  |  |  |
| Inventories | CEAV |  |  |  |

**Procedures in response to risks**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **TOD** | **Procedures** | **Accounts** | **Assertions tested** | **Risks ID** | **Results** |
| **1** | Inventory count (Sheet to floor) | Inventories - RM Inventories - WIP Inventories - FG | E | INV-1 | Satisfactory |
| **2** | Inventory count (Floor to sheet) | Inventories - RM Inventories - WIP Inventories - FG | C | INV-2 | Satisfactory |
| **3** | Recalculation of inventory costing | Inventories - RM Inventories - FG | A | INV-3 | Satisfactory |
| **4** | NRV test | Inventories - WIP Inventories - FG | V | INV-4 | Satisfactory |
| **5** | Review of provision for slow moving, damaged and obsolete inventories | Inventories - RM Inventories - WIP Inventories - FG | V | INV-5 | Satisfactory |
| **6** | Inventory cut off test | Inventories - RM Inventories - FG | C | INV-2 | Satisfactory |
| **7** | Review of GIT | Inventories - GIT | E | INV-6 | Satisfactory |
| 8 | Vouching foreign and local purchases | Cost of sales-Purchase | EA | COGS-1 | Satisfactory |
| 9 | Cut off test of purchases | Cost of sales- Purchase | C | COGS-2 | Satisfactory |
| 10 | Vouching manufacturing overheads | Cost of sales- Manufacturing overheads | EA | COGS-3 | Satisfactory |

***Conclusion***

From the audit work carried out I confirm that:

* the work has been performed in accordance with the audit programme;
* the work performed and the results obtained have been adequately documented;
* all necessary information has been collected for the preparation of the statutory accounts; and
* in my opinion there is no material statements found and are fairly stated.

Prepared by : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date : \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Reviewed by : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date : \_\_\_\_\_\_\_\_\_\_\_\_\_\_