|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Company** | XYZ Limited | | **W/P Reference** | | AD | |
| **Prepared By** | Mr. C |  | **Date** | | 5-Mar-2015 | |
| **Reviewed By** | Mr. B |  | **Date** | | 20-Mar-2015 | |
| **Period ended** | 31-Dec-2014 |  |  |  |  |  |

|  |  |
| --- | --- |
| **Procedure Name:** | Confirmed the amount of admin expenses |

|  |  |
| --- | --- |
| **Objective:** | To ensure that admin expense is completely and accurately recorded and presented in the financial statements |
|  |

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| |  |  | | --- | --- | | **Assertions covered:** | Completeness, Occurrence, Accuracy |  |  |  | | --- | --- | | **Procedures performed:** | 1. Vouching sufficient and appropriate relevant documents of admin expenses 2. Cut off testing of admin expense | |  |  |  |  |  |  |  |

**Note:**

1. Audit procedures have been done in the COGS audit program for Distribution expense, Manufacturing expense and QC and development expenses.
2. Audit procedures for salary and wages have been performed in payroll program.
3. Audit procedures for depreciation and amortisation have been performed in separate related audit program.
4. The remaining expenses of admin expenses have been vouched and cut off testing for the same have been performed as a whole.

**Admin Expnes: Schedule**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **2014** | | | | | |
| *In Taka* | **Administrative expenses** | **Distribution expenses** | **Manufacturing expenses** | **QC and development expenses** | **Selling expenses** | **Total** |
| Salary and wages | **219,566,303** | **115,922,391** | **227,149,414** | **67,959,159** | **1,031,486,899** | **1,662,084,166** |
| Traveling and conveyance | **7,926,946** | **87,071,850** | **3,007,096** | **731,083** | **304,515,467** | **403,252,442** |
| Rent and rates | **12,268,330** | **27,829,119** | **56,216,029** | **-** | **46,113,307** | **142,426,785** |
| Repair and maintenance | **5,819,352** | **5,337,463** | **57,539,503** | **7,656,939** | **11,023,362** | **87,376,619** |
| Fuel and power | **5,278,711** | **6,361,233** | **184,379,283** | **6,729,970** | **9,579,672** | **212,328,869** |
| Postage | **7,949,311** | **2,219,440** | **1,575,981** | **166,369** | **25,642,668** | **37,553,769** |
| Printing and stationery | **5,022,631** | **14,931,107** | **3,446,029** | **744,787** | **16,463,865** | **40,608,419** |
| Promotional expenses | **18,291,320** | **-** | **159,027** | **-** | **859,072,387** | **877,522,734** |
| Entertainment | **6,750,933** | **4,925,468** | **4,714,973** | **306,275** | **4,060,814** | **20,758,463** |
| Vehicle maintenance | **6,656,370** | **51,478,905** | **3,198,709** | **1,163,975** | **31,718,754** | **94,216,713** |
| Bad debts | **-** | **-** | **-** | **-** | **115,886,216** | **115,886,216** |
| Truck and handling | **-** | **91,148,195** | **6,995,191** | **14,265** | **85,721,785** | **183,879,436** |
| Legal and professional charges | **7,457,553** | **38,590** | **-** | **-** | **3,388,552** | **10,884,695** |
| Audit fees | **500,000** | **-** | **-** | **-** | **-** | **500,000** |
| Insurance | **1,019,277** | **7,688,418** | **7,152,845** | **282,371** | **8,284,770** | **24,427,681** |
| Directors' fees | **20,250** | **-** | **-** | **-** | **-** | **20,250** |
| Bank charges | **-** | **1,984,896** | **-** | **-** | **6,836,166** | **8,821,062** |
| Sundry expenses | **-** | **285,660** | **7,650** | **-** | **-** | **293,310** |
| Product development expenses | **-** | **-** | **74,575** | **290,201** | **25,110,102** | **25,474,878** |
| Training expenses | **737,117** | **305,641** | **38,354** | **135,522** | **24,597,096** | **25,813,730** |
| Depreciation | **13,895,815** | **17,842,504** | **163,368,742** | **14,490,267** | **50,548,630** | **260,145,958** |
| Amortisation | **518,932** | **-** | **14,000** | **-** | **115,000** | **647,932** |
| Lab chemical and apparatus | **-** | **-** | **4,599,224** | **11,432,924** | **-** | **16,032,148** |
| Meeting expenses | **2,513,563** | **15,482** | **9,799** | **-** | **27,464,240** | **30,003,084** |
| Share department expenses | **1,321,440** | **-** | **-** | **-** | **-** | **1,321,440** |
| Export expenses | **-** | **-** | **-** | **-** | **8,244,879** | **8,244,879** |
| ISO/TQM related expenses | **457,047** | **-** | **125,481** | **-** | **79,200** | **661,728** |
| Market research | **-** | **-** | **-** | **-** | **10,940,473** | **10,940,473** |
| Corporate Social Responsibility expenses | **1,940,183** | **-** | **95,127** | **-** | **-** | **2,035,310** |
|  | **325,911,384** | **435,386,362** | **723,867,032** | **112,104,107** | **2,706,894,304** | **4,304,163,189** |

**Vouching of sufficient and appropriate documents of admin expense below:**

Work performed:

1. Obtained a voucher wise break-down of all the remaining admin expenses booked during the year and matched it with the GL.
2. Selected samples using sampling software.
3. For the selected samples documents have been checked to ensure accuracy and occurrence.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Sl No** | **Voucher Date** | **Voucher No** | **Details** | **Supplier Name** | **Amount** | **Document checked** |
| 1 | 29-Jan-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,905,906 | √ |
| 2 | 28-Feb-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,114,406 | √ |
| 3 | 16-Feb-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,375,513 | √ |
| 4 | 17-Jun-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,249,861 | √ |
| 5 | 31-Jan-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,775,615 | √ |
| 6 | 31-Jan-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,808,899 | √ |
| 7 | 28-Feb-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,376,619 | √ |
| 8 | 28-Feb-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,896,060 | √ |
| 9 | 22-Feb-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,679,632 | √ |
| 10 | 22-Feb-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,665,239 | √ |
| 11 | 31-Mar-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,547,833 | √ |
| 12 | 31-Mar-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,373,412 | √ |
| 13 | 31-Mar-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,572,677 | √ |
| 14 | 31-Mar-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,451,682 | √ |
| 15 | 31-Mar-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,573,480 | √ |
| 16 | 31-Mar-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,343,361 | √ |
| 17 | 20-Mar-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,289,265 | √ |
| 18 | 20-Mar-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,815,858 | √ |
| 19 | 30-Apr-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,846,693 | √ |
| 20 | 30-Apr-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,802,485 | √ |
| 21 | 11-Jan-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,295,336 | √ |
| 22 | 31-Jan-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,719,879 | √ |
| 23 | 29-Jan-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,146,202 | √ |
| 24 | 31-Dec-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,724,328 | √ |
| 25 | 28-Feb-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,108,786 | √ |
| 26 | 30-Apr-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,580,365 | √ |
| 27 | 30-Apr-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,639,735 | √ |
| 28 | 30-Apr-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,904,340 | √ |
| 29 | 30-Apr-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,826,630 | √ |
| 30 | 30-Jun-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,764,336 | √ |
| 31 | 23-Jul-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,249,795 | √ |
| 32 | 23-Jul-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,105,873 | √ |
| 33 | 23-Jul-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,060,188 | √ |
| 34 | 31-Jul-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,429,923 | √ |
| 35 | 23-Jul-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,309,883 | √ |
| 36 | 31-Aug-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,235,734 | √ |
| 37 | 31-Aug-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,333,434 | √ |
| 38 | 31-May-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,308,625 | √ |
| 39 | 31-May-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,731,962 | √ |
| 40 | 31-May-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,128,245 | √ |
| 41 | 31-May-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,045,925 | √ |
| 42 | 30-Jun-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,983,816 | √ |
| 43 | 30-Jun-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,560,114 | √ |
| 44 | 23-Jun-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,683,768 | √ |
| 45 | 23-Jun-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,842,971 | √ |
| 46 | 23-Jun-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,005,435 | √ |
| 47 | 31-Jul-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,167,024 | √ |
| 48 | 31-Jul-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,985,902 | √ |
| 49 | 31-Jul-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,339,904 | √ |
| 50 | 31-May-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,161,816 | √ |
| 51 | 31-May-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,960,934 | √ |
| 52 | 20-May-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,073,824 | √ |
| 53 | 30-Jun-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,253,513 | √ |
| 54 | 30-Jun-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,714,566 | √ |
| 55 | 30-Jun-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,741,912 | √ |
| 56 | 23-Jul-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,435,208 | √ |
| 57 | 23-Jul-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,604,100 | √ |
| 58 | 23-Jul-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,986,830 | √ |
| 59 | 31-Jul-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,722,379 | √ |
| 60 | 23-Jul-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,440,107 | √ |
| 61 | 31-Aug-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,875,316 | √ |
| 62 | 31-Aug-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,117,276 | √ |
| 63 | 31-Aug-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,388,378 | √ |
| 64 | 31-Aug-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,982,367 | √ |
| 65 | 31-Aug-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,498,227 | √ |
| 66 | 31-Aug-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,137,422 | √ |
| 67 | 21-Aug-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,173,453 | √ |
| 68 | 30-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,406,189 | √ |
| 69 | 30-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,429,236 | √ |
| 70 | 27-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,699,440 | √ |
| 71 | 27-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,060,899 | √ |
| 72 | 23-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,453,227 | √ |
| 73 | 30-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,505,361 | √ |
| 74 | 31-Jul-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,341,405 | √ |
| 75 | 31-Jul-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,059,758 | √ |
| 76 | 31-Jul-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,415,980 | √ |
| 77 | 31-Jul-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,940,710 | √ |
| 78 | 31-Jul-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,399,010 | √ |
| 79 | 21-Aug-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,014,181 | √ |
| 80 | 30-Sep-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,555,700 | √ |
| 81 | 30-Sep-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,316,011 | √ |
| 82 | 30-Sep-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,778,770 | √ |
| 83 | 30-Sep-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,672,554 | √ |
| 84 | 21-Sep-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,615,180 | √ |
| 85 | 21-Sep-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,158,766 | √ |
| 86 | 31-Oct-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,746,292 | √ |
| 87 | 31-Oct-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,721,548 | √ |
| 88 | 31-Oct-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,619,075 | √ |
| 89 | 31-Oct-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,886,513 | √ |
| 90 | 31-Oct-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,221,656 | √ |
| 91 | 31-Oct-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,458,109 | √ |
| 92 | 31-Oct-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,420,922 | √ |
| 93 | 30-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,243,480 | √ |
| 94 | 30-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,531,910 | √ |
| 95 | 27-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,414,587 | √ |
| 96 | 27-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,973,506 | √ |
| 97 | 23-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,644,641 | √ |
| 98 | 30-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,174,058 | √ |
| 99 | 20-Oct-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,418,784 | √ |
| 100 | 30-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,157,537 | √ |
| 101 | 30-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,114,231 | √ |
| 102 | 31-Dec-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,561,277 | √ |
| 103 | 23-Dec-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,790,719 | √ |
| 104 | 23-Dec-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,945,902 | √ |
| 105 | 23-Dec-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,718,334 | √ |
| 106 | 23-Dec-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,496,577 | √ |
| 107 | 19-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,642,871 | √ |
| 108 | 19-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,747,343 | √ |
| 109 | 31-Dec-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,710,718 | √ |
| 110 | 31-Dec-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,728,493 | √ |
| 111 | 31-Oct-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,902,828 | √ |
| 112 | 23-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,393,965 | √ |
| 113 | 30-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,198,999 | √ |
| 114 | 20-Oct-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,929,846 | √ |
| 115 | 30-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,451,540 | √ |
| 116 | 30-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,639,824 | √ |
| 117 | 23-Dec-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 1,293,367 | √ |
| 118 | 19-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,467,012 | √ |
| 119 | 19-Nov-14 | <Vouch No> | <Details of the product name etc.> | <Supplier name> | 2,788,168 | √ |
|  |  |  |  |  | **243,927,591** |  |

**Document Checked: For every transaction, checked the transaction value accuracy, Checked TDS and VDS and in some extent payment.**

**Conclusion: No exception noted.**

**Cut off test of admin expense:**

Work performed:

1. Obtained a voucher-wise breakdown of the above admin expense in the last twenty days of December 2014 and the first twenty days of January 2015.
2. From the vouchers obtained samples was selected using sampling software. Only seven samples were selected by sampling though sampling software. As a result more samples were selected via specific selection (high value transactions).
3. For the selected samples checked the transaction’s original document to ensure that the transaction has been recorded in the correct accounting period.

Testing:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **JV Date** | **JV Number** | **Details** | **Balance** | **Invoice number** | **Service received date** |
| 30-Dec-2014 | <JV no> | <details of the transaction recorded> | 2,174,058 | <invoice no> | 25-Nov-14 |
| 31-Dec-2014 | <JV no> | <details of the transaction recorded> | 2,418,784 | <invoice no> | 24-Dec-14 |
| 31-Dec-2014 | <JV no> | <details of the transaction recorded> | 2,157,537 | <invoice no> | 31-Dec-14 |
| 31-Dec-2014 | <JV no> | <details of the transaction recorded> | 2,114,231 | <invoice no> | 25-Dec-14 |
| 31-Dec-2014 | <JV no> | <details of the transaction recorded> | 2,886,513 | <invoice no> | 29-Dec-14 |
| 31-Dec-2014 | <JV no> | <details of the transaction recorded> | 1,221,656 | <invoice no> | 24-Dec-14 |
| 31-Dec-2014 | <JV no> | <details of the transaction recorded> | 1,458,109 | <invoice no> | 28-Dec-14 |
| 31-Dec-2014 | <JV no> | <details of the transaction recorded> | 2,420,922 | <invoice no> | 22-Dec-14 |
| 31-Dec-2014 | <JV no> | <details of the transaction recorded> | 2,886,513 | <invoice no> | 31-Dec-14 |
| 31-Dec-2014 | <JV no> | <details of the transaction recorded> | 1,137,422 | <invoice no> | 30-Dec-14 |
| 31-Dec-2014 | <JV no> | <details of the transaction recorded> | 2,173,453 | <invoice no> | 25-Dec-14 |
| 31-Dec-2014 | <JV no> | <details of the transaction recorded> | 2,406,189 | <invoice no> | 27-Dec-14 |
| 15-Jan-2015 | <JV no> | <details of the transaction recorded> | 1,429,236 | <invoice no> | 15-Jan-15 |
| 15-Jan-2015 | <JV no> | <details of the transaction recorded> | 1,137,422 | <invoice no> | 11-Jan-15 |
| 08-Jan-2015 | <JV no> | <details of the transaction recorded> | 2,173,453 | <invoice no> | 5-Jan-15 |
| 12-Jan-2015 | <JV no> | <details of the transaction recorded> | 2,406,189 | <invoice no> | 12-Jan-15 |
| 19-Jan-2015 | <JV no> | <details of the transaction recorded> | 735,680 | <invoice no> | 17-Jan-15 |

**Note:**

1. The JV date is the date of recognition of the transaction.

2. The policy of the company is to recognize the expenses when the expenses incurred and we ensured that JV date is the date when the transaction should be recorded.

**Conclusion:**

No exception noted.

**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.**