

# SA 450 - Evaluation of Misstatements

Police chasing Don → fast & furious → Chintu calls → Pitaii

- Misstatements → Accumulate
- Other than those → Clearly Trivial

Sirf wo misstatements batana jisse

Audit Strategy ya Plan par farq padta ho.

Case I

- Misstatements accumulated during audit (+)
- Other misstatements that may exist (Projected)

Material

Case II

- Misstatements accumulated during Audit

Material

• Seedha mere paas mat aana → Pehle mgt. ke paas jaana

Request mgt. to examine the cause → Determine the amount of Actual misstatement → Make appropriate Adjustments

Mgt. examines & corrects  
↓  
Perform additional procedures

Refuses to correct  
↓  
Understand reasons (+)  
Evaluate if F-S free from Material Misstatements.

Made with ❤️  
by CA Chirag Gang

Mgt. boli immaterial hai

Reassess, if materiality determined remain appropriate

Determine whether Material

Size & nature

Effect related to prior period

↓  
If still feels Material → TCWG paas Jaa

