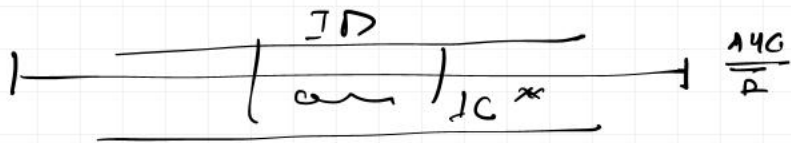


SP → Testing — FS

o) Test of Details — Transaction
(Vouching) & verification
A/c Balance
P/D — Presentation & Disclosure

.) Substantive Analytical Procedure

• Teacher — 47 Que → 8000 +
Chal → 2-4
• Result — 5-10 k — ch



ROMM

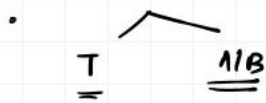
Account Balance

E - Existens

R - Right / obligano

C - Completeness

V - valuation & Allocation

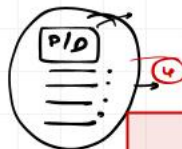


P/D xxx

'Saany Key'

Acc

• C₃ → T A/B



A/B

T

E

O

R

C

C

C

P/D

P/D

• C₅ - T A/B



Stress testing → BA

Assertions Related to Transactions

1 Occurrence

- **Example:** Auditor checks sales invoices and delivery receipts to confirm that recorded sales in ABC Ltd. actually occurred.

2 Completeness

- **Example:** Auditor verifies that all purchase orders for XYZ Pvt. Ltd. are recorded in the financial statements, ensuring no transactions are omitted.

3 Accuracy

- **Example:** Auditor checks the calculation and recording of interest expenses for DEF Corp. to ensure amounts are accurate.

4 Cut-off

- **Example:** Auditor examines year-end inventory shipments for GHI Ltd. to confirm that they are recorded in the correct accounting period.

5 Classification

- **Example:** Auditor reviews the classification of repair expenses for JKL Ltd. to ensure they are recorded as maintenance expenses, not capital expenditures.

Assertions Related to Account Balances

1 Existence

- **Example:** Auditor physically counts inventory at MNO Ltd. to verify that recorded inventory exists.

2 Rights and Obligations

- **Example:** Auditor examines title deeds to confirm that PQR Ltd. owns the recorded land and buildings.

3 Completeness

- **Example:** Auditor checks that all liabilities, such as loans, are recorded in the financial statements of STU Ltd.

4 Valuation and Allocation

- **Example:** Auditor reviews the fair value calculations for ABC Ltd.'s investment portfolio to ensure assets are recorded at appropriate values.

Assertions Related to Presentation and Disclosure

1 Occurrence and Rights and Obligations

- **Example:** Auditor verifies that disclosed lease agreements for XYZ Pvt. Ltd. actually exist and pertain to the company.

2 Completeness

- **Example:** Auditor ensures that all required disclosures, such as contingent liabilities for DEF Corp., are included in the financial statements.

3 Classification and Understandability

- **Example:** Auditor checks that financial information for GHI Ltd. is presented clearly and descriptions are accurate in the notes to the financial statements.

4 Accuracy and Valuation

- **Example:** Auditor verifies that the amounts disclosed for PQR Ltd.'s pension obligations are accurate and fairly presented.

E

P

M

RA

Response

TOC

SP

TOC

SP

TOC

SP

TOC

SP

TOC

SP

TOC

SP

TOC

SP

TOC

SP

TOC

SP

TOC

SP

TOC

SP

TOC

SP

TOC

SP

TOC

SP

315

RAP

330

FAP

NET

TOC

SP

TOC

SP

TOC

SP

TOC

SP

TOC

SP

TOC

SP

TOC

SP

TOC

SP

TOC

SP

TOC

SP

TOC

SP

TOC

SP

TOC

SP

U E/E/IC

ROMM

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

U E/E/IC

Process -

Evidence

Con -> O -> R