

assure

Energy Sector

1. Purchases and Payables

Purchases of Goods and Services

- Produce reports of large purchases of goods and services for each month.
- Compare purchase orders to accounts payable data.
- Review purchase orders by specific buyers.
- Identify purchasing policy violations, departmental spending patterns, and rate of expense reimbursements to employees and possible duplicate payments.
- Identify purchases made in excess of contractual requirements.
- Identify orders, which were not cancelled when the requirements of the contract were cancelled.
- Classify orders that are late by various criteria.
- Compare data on separate files to identify goods received but not invoiced, goods invoiced but not received or discrepancies between purchase orders, receiving documents and supplier invoices.
- Produce reports of new suppliers.
- Produce reports of entries from unusual sources.

Payments for Goods and Services

- Produce reports of large, unusual and duplicate payments.

- Produce reports of the volume and amount of payments per period.
- Test accumulation of cash disbursements.

Accounts Payable

- Ageing of payable balances.
- Produce reports of debit balances.
- Produce reports of large or old suspense items.
- Produce reports of unusual purchase prices or large purchase variances.
- Produce reports of balances with no scheduled payment date.
- Produce reports of new suppliers.
- Produce reports of entries from unusual sources.
- Search for unrecorded liabilities.

2. Inventories

- Test mathematical accuracy of perpetual inventory records.
- Produce reports of unusual inventory quantities, costs or descriptions.
- Identify old or inactive inventory for obsolescence.
- Produce reports of recent shipments of inventory for cut-off testing.
- Compare recent invoice prices to costs on perpetual inventory observation.
- Select items to be counted during physical inventory observation.
- Produce reports of changes in unit costs from prior year.
- Identify raw materials related to

obsolete finished goods.

- Produce reports of changes in product costs or quantities since physical inventory or interim date.
- Produce reports of obsolete, excess or slow moving inventory.
- Analyse gross margin by product.
- Produce reports of products where costs exceed market value.
- Test accumulation of inventory balances.
- Analyse the parts and materials database to identify inactive records

3. Employee Costs

- Produce reports of employees receiving net pay over a given amount.
- Produce reports of employees working an abnormal amount of overtime.
- Produce reports of employees taking more leave than normal.
- Produce reports of recent terminations and hiring.
- Select samples for testing.
- Test mathematical accuracy and accumulation of payroll totals.
- Produce reports of large or unusual payments.

4. Employee Related Liabilities

- Test accumulation of journal adjustments.
- Produce reports of large journal adjustments.
- Produce reports of entries from unusual sources.

5. Fixed Assets

Acquisitions and Disposals

- Produce reports of large transactions.
- Produce reports of significant gain or loss transactions based on original cost, amount or other criteria.
- Produce reports of maintenance and repairs expenses by department or asset.

Depreciation

- Test mathematical accuracy of depreciation expense by asset.
- Produce reports of depreciable lives not in accordance with policies.
- Produce reports of depreciation expense by type, age and location of assets.
- Test accumulation of depreciation amounts.
- Produce reports of entries from unusual posting sources.

Property and Equipment

- Produce reports of large balances.
- Produce reports of assets by type, age or location.
- Produce reports of fully depreciated assets.
- Test depreciation computations.
- Produce reports of assets in gross asset value order.
- Select assets for physical inspection.

6. Revenues and Receivables

Revenues

- Match dates of shipping documents and invoices for cut-off tests.
- Produce reports of unusual prices or discounts.
- Produce reports of discrepancies between quantities shipped and quantities billed.
- Produce reports of disputed customers' accounts.
- Produce reports of high value credits.
- Match dates of goods returned and credit notes for cut-off tests.
- Test for potential duplicate invoices.

Receipts from Customers

- Produce reports of large, unusual and duplicate receipts.
- Produce reports of the volume and amount of receipts per period.

Trade Accounts Receivable

- Test accumulation of receivable balances.
- Produce reports of credit balances.
- Produce reports of customer accounts in value order.
- Test the ageing of receivables.
- Produce reports of changes to credit limits.

7. Cash

- Produce reports of excessive idle cash balances.

- Determine outstanding Cheque.
- Test accumulation of cash balances.

8. Other Assets

Deferred Costs and Intangibles

- Test mathematical accuracy of amortization.
- Identify unusual additions or write-offs of deferred costs.
- Identify unusual additions or disposals of intangible assets.
- Produce reports of unusual posting sources.

Prepaid Expenses

- Test mathematical accuracy of amortization.
- Produce reports of unusual posting sources.
- Test accumulation of prepaid expense transactions and balances.

9. Other Liabilities.

- List accrued and other liabilities in excess of a certain amount for detailed testing.
- Identify the age of accrued and other liabilities.
- Test accumulation of accrued and other liability transactions
- Produce reports of balances with no scheduled payment date.
- Produce reports of new suppliers.
- Produce reports of entries from unusual sources.
- Search for unrecorded liabilities.