| Reference:   | R 31-1 |
|--------------|--------|
| Prepared by: |        |
| Date:        |        |
| Reviewed by: |        |

### Southeast Shoe Distributor, Inc. Revenue Cycle – What Could Go Wrong Matrix For the Year Ended December 31, 2014

|   | Decer                |              | Sale      |                    | 20                      |                      | Cash         | Rec       | eipt               |                         |                      |              |           |                    |                         |
|---|----------------------|--------------|-----------|--------------------|-------------------------|----------------------|--------------|-----------|--------------------|-------------------------|----------------------|--------------|-----------|--------------------|-------------------------|
|   |                      |              | <u> </u>  | -<br>              |                         | <u> </u>             |              |           | J. Pt.             | -<br>                   |                      | Red          | able      | <u> </u>           |                         |
| What Could Go Wrong                                       | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure |
| WCGW1) Customers cannot pay for sales purchased on credit |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              | Χ         |                    |                         |
| WCGW2) Sales are recorded for a nonexistent customer      | Χ                    |              |           |                    |                         |                      |              |           |                    |                         | Χ                    |              |           |                    |                         |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   | +                    |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   | +                    |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   | -                    |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   | +                    |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|   | +                    |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
| Identify the management assertion(s) each what co         | ould ao v            | vroi         | na :      | affe               | cts                     | with                 | n ar         | า "X      | (."                | l                       |                      |              |           |                    |                         |

| Reference:   | R 31-2 |
|--------------|--------|
| Prepared by: |        |
| Date:        |        |
| Reviewed by: |        |

### Southeast Shoe Distributor, Inc. Revenue Cycle – What Could Go Wrong Matrix For the Year Ended December 31, 2014

| For the Year Ended Dec                                 | cen                  |              |           |                    | 20                      |                      |              |           |                    |                         |                      | _            |           |                    |                         |
|--|----------------------|--------------|-----------|--------------------|-------------------------|----------------------|--------------|-----------|--------------------|-------------------------|----------------------|--------------|-----------|--------------------|-------------------------|
|  |                      | ;            | Sale      | s                  | 1                       | (                    | Cash         | Rec       | eipts              | 3                       |                      | Rec          | cour      | nts<br>ble         |                         |
| What Could Go Wrong                                    | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    | _                       |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    | _                       |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    | _                       |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    | _                       |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
| Identify the management assertion(s) each what could g | jo w                 | vror         | ng a      | affe               | cts                     | with                 | n ar         | า "X      | (."                |                         |                      |              |           |                    |                         |

| Reference:   | R 31-3 |
|--------------|--------|
| Prepared by: |        |
| Date:        |        |
| Reviewed by: |        |

### Southeast Shoe Distributor, Inc. Revenue Cycle – What Could Go Wrong Matrix For the Year Ended December 31, 2014

| For the Year Ended Dec                                 | JC11                 |              |           |                    | 20                      |                      | \_ ·         | _         |                    |                         | Accounts             |              |           |                    |                         |  |
|--|----------------------|--------------|-----------|--------------------|-------------------------|----------------------|--------------|-----------|--------------------|-------------------------|----------------------|--------------|-----------|--------------------|-------------------------|--|
|  |                      | ,            | Sales     | s                  |                         | Ľ                    | ash          | Rec       | eipts              | 3                       |                      | ble          | _         |                    |                         |  |
| What Could Go Wrong                                    | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    | <u></u>                 |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
| Identify the management assertion(s) each what could g | 0 W                  | /ror         | ng a      | affe               | cts                     | with                 | n ar         | า "X      | (."                |                         |                      |              |           |                    |                         |  |

| Reference:   | R 32-1   |
|--------------|----------|
| Prepared by: |          |
| Date:        |          |
| Reviewed by: | <u> </u> |

#### Southeast Shoe Distributor, Inc. Revenue Cycle - Control Activities Matrix For the Year Ended December 31, 2014

| For the Year Ended De                                     | cei                  |              |           |                    | 20                      |                      |              |           |                    |                         | Accounts             |              |           |                    |                         |  |  |
|---|----------------------|--------------|-----------|--------------------|-------------------------|----------------------|--------------|-----------|--------------------|-------------------------|----------------------|--------------|-----------|--------------------|-------------------------|--|--|
|   |                      |              | Sales     | s                  |                         | (                    | Cash         | Rec       | eipts              | 3                       |                      | ble          |           |                    |                         |  |  |
| Control Activities  | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure |  |  |
| CA1) All sales are approved by the office manager (WCGW1, | Χ                    |              |           |                    |                         |                      |              |           |                    |                         | Χ                    |              | Χ         |                    |                         |  |  |
| WCGW2)  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   | _                    |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   | -                    |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   | -                    |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    | _                       |  |  |
|   | ┡                    |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    | _                       |  |  |
|   | ┞                    |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   | ┢                    |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   | -                    |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |  |
|   | ┢                    |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    | -                       |  |  |
| Identify the management assertion(a) and assertion to     | it. ·                | tt-          | ot-       | الد:               |                         | . "\                 | ′ "          |           |                    |                         |                      |              |           |                    | <u> </u>                |  |  |
| Identify the management assertion(s) each control activ   | ity a                | эпе          | CIS       | WI                 | n ai                    | 1 "X                 | ٠.¨          |           |                    |                         |                      |              |           |                    |                         |  |  |

| Reference:   | R 32-2 |
|--------------|--------|
| Prepared by: |        |
| Date:        |        |
| Reviewed by: |        |

### Southeast Shoe Distributor, Inc. Revenue Cycle - Control Activities Matrix For the Year Ended December 31, 2014

| For the Year Ended Dec                                   |                      |              |           |                    | 20                      |                      |              | _         |                    |                         |                      | _            |           |                    |                         |
|--|----------------------|--------------|-----------|--------------------|-------------------------|----------------------|--------------|-----------|--------------------|-------------------------|----------------------|--------------|-----------|--------------------|-------------------------|
|  |                      | ,            | Sales     | S<br>              | 1                       | Ľ                    | ash          | Kec       | eipts              | 5                       | L.,                  | Ac<br>Red    | ble       |                    |                         |
| Control Activities                                       | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    | L                       |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
| Identify the management assertion(s) each control activi | ty a                 | affe         | cts       | witl               | h ar                    | า "X                 | (."          |           |                    |                         |                      |              |           |                    |                         |

| Reference:   | R 32-3 |
|--------------|--------|
| Prepared by: |        |
| Date:        |        |
| Reviewed by: |        |

#### Southeast Shoe Distributor, Inc. Revenue Cycle - Control Activities Matrix For the Year Ended December 31, 2014

| For the Year Ended Dec                                     |                      |              |           |                    | 20                      |                      | Sa1          | D-        | ale:               |                         |                      |              |           |                    |                         |
|--|----------------------|--------------|-----------|--------------------|-------------------------|----------------------|--------------|-----------|--------------------|-------------------------|----------------------|--------------|-----------|--------------------|-------------------------|
|  |                      | ,            | Sales     | 5                  | ı                       | Ľ                    | asn          | Rec       | eipts              | 5                       |                      | Red          | ble       |                    |                         |
| Control Activities   | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |
| Identify the management assertion(s) each control activity | ity a                | affe         | cts       | witl               | h aı                    | n "X                 | (."          |           |                    |                         |                      |              |           |                    |                         |

| Reference:   | R 33 |
|--------------|------|
| Prepared by: |      |
| Date:        |      |
| Reviewed by: |      |

### Southeast Shoe Distributor, Inc. Revenue Cycle – Internal Control Deficiencies For the Year Ended December 31, 2014

| 1 of the real Efficed December 31, 20                                      | Client Personnel |
|--|------------------|
| Internal Control Deficiencies  | Discussed With   |
|  | Discussed With   |
| 1) The client does not internally verify the proper general ledger account |                  |
| classification for sales and cash receipt transactions.                    |                  |
|  |                  |
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|  |                  |

| Reference:   | R 40-1 |
|--------------|--------|
| Prepared by: |        |
| Date:        |        |
| Reviewed by: |        |

### Southeast Shoe Distributor, Inc. Revenue Cycle – Audit Tests Planning Matrix For the Year Ended December 31, 2014

| For the Year Ended De  |                      |              | Sale      |                    | 20                      |                      | h            | Rec       | -1-4               |                         | Accounts             |              |           |                    |                         |  |
|--|----------------------|--------------|-----------|--------------------|-------------------------|----------------------|--------------|-----------|--------------------|-------------------------|----------------------|--------------|-----------|--------------------|-------------------------|--|
|  |                      | '            | Sale      | <b>5</b>           |                         |                      | Jasii        | I Kec     | eipi               | •                       |                      | Red          | ble       |                    |                         |  |
| Tests of Controls  | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure |  |
| TC1) Inquire and observe the office manager authorizing                  | W                    |              |           |                    |                         |                      |              |           |                    |                         | W                    |              | W         |                    |                         |  |
| sales (CA1)  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                      |              |           |                    |                         |  |
| Indicate whether the test provides Strong (S), Moderate (M), or Weak (W) | evide                | ence         | for       | the s              | peci                    | fic m                | ana          | gem       | ent a              | issei                   | rtion                |              |           |                    | _                       |  |

| Reference:   | R 40-2 |
|--------------|--------|
| Prepared by: |        |
| Date:        |        |
| Reviewed by: |        |

## Southeast Shoe Distributor, Inc. Revenue Cycle - Audit Tests Planning Matrix For the Year Ended December 31, 2014

| For the Year Ended Det   | JU11                 |              | Sales     |                    | <u> - U</u>             |                      | Cash         | Rec       | eipts              | 3                       | Accounts<br>Receivable |              |           |                    |                         |  |
|--|----------------------|--------------|-----------|--------------------|-------------------------|----------------------|--------------|-----------|--------------------|-------------------------|------------------------|--------------|-----------|--------------------|-------------------------|--|
|  |                      |              |           |                    |                         |                      | ·            | <u> </u>  |                    |                         |                        | Rec          | eiva      | ole                |                         |  |
| Tests of Controls  | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure | Existence/Occurrence   | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
| Indicate whether the test provides Strong (S), Moderate (M), or Weak (W) ( | evide                | ence         | for       | the s              | peci                    | ific m               | nana         | gem       | ent a              | sse                     | rtion                  |              |           |                    |                         |  |

| Reference:   | R 40-3 |
|--------------|--------|
| Prepared by: |        |
| Date:        |        |
| Reviewed by: |        |

# Southeast Shoe Distributor, Inc. Revenue Cycle - Audit Tests Planning Matrix For the Year Ended December 31, 2014

|  | Sales                |              |           |                    |                         |                      | Cash         | Rec       | eipts              | 3                       | Accounts<br>Receivable |              |           |                    |                         |  |
|--|----------------------|--------------|-----------|--------------------|-------------------------|----------------------|--------------|-----------|--------------------|-------------------------|------------------------|--------------|-----------|--------------------|-------------------------|--|
| Tests of Controls  | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure | Existence/Occurrence | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure | Existence/Occurrence   | Completeness | Valuation | Rights/Obligations | Presentation/Disclosure |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    | lacksquare              |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    | $\vdash$                |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    | $\vdash$                |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    | $\vdash$                |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    | $\vdash$                |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    | $\vdash$                |  |
|  |                      |              |           |                    |                         |                      |              |           |                    |                         |                        |              |           |                    |                         |  |
| Indicate whether the test provides Strong (S), Moderate (M), or Weak (W) | evide                | ence         | for       | the s              | peci                    | fic m                | nana         | gem       | ent a              | isse                    | rtion                  |              |           |                    |                         |  |