

Company	XYZ Limited	W/P Reference	I-2.1
Prepared By	Mr. C	Date	DD/MM/YYYY
Reviewed By	Mr. B	Date	DD/MM/YYYY
Period ended	31-Dec-2014		

Procedure Name:	Comparison of current year and previous year balances, reconciliation with nominal ledger and justification of unusual journal entries.
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Particulars	2014	2013	Variance (BDT)	Variance (%)	Link with
Inventories	2,961,175,971	2,553,330,342	407,845,629	16%	Referenced TB I and Notes to the FS 10

Procedures performed:	<ol style="list-style-type: none"> 1. Confirmed the previous year's balance with the audited financial statements of the previous year. 2. Obtained and checked a lead schedule for the current year's figures and reconcile this to the nominal ledger. 3. Examined adjusting journal entries posted during the preparation of the financial statements. 4. Inquired management about large and/or unusual items and justification for such items. 5. Tested the cast of the list.
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Result of testing

Particulars	2014			2013		
	As per GL	Adjustment	As per Financials	As per financials	Confirmed balance of 2013 from audited figure	As per Financials
Raw materials	724,011,984	-	724,011,984	502,928,357	√	502,928,357
Packing materials	241,697,100	-	241,697,100	169,566,009	√	169,566,009
Work in process	82,684,794	-	82,684,794	56,750,090	√	56,750,090
Finished goods	1,951,960,246	-	1,951,960,246	1,774,219,427	√	1,774,219,427
Goods in transit	115,235,985	-	115,235,985	198,109,813	√	198,109,813
Other inventories	26,850,950	-	26,850,950	30,789,189	√	30,789,189
Allowance for slow-moving inventory	(181,265,088)	-	(181,265,088)	(179,032,543)	√	(179,032,543)
	2,961,175,971	-	2,961,175,971	2,553,330,342		2,553,330,342

Observation:	No exception noted.
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Conclusion:	No large and/or usual items were noted during inquiry to management. Previous year's balance has been brought forward and current year's balance of nominal balance has been carried forward to the financial statements correctly.
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