

Accounts Receivable Audit Program

Outstanding Debtors Verification

Date: _____
Prepared By: _____
Reviewed By: _____

1. Objective

To verify the existence, accuracy, and recoverability of receivables from outstanding debtors as at the reporting date.

2. Scope

Debtors with material outstanding balances or overdue accounts as at the year-end.

3. Audit Procedures

1. Obtain the aged accounts receivable listing as at the reporting date.
2. Reconcile the total with the general ledger control account.
3. Select a sample of outstanding debtor balances (focus on material and overdue items).
4. For each selected account:
 - Examine supporting documentation (invoice, delivery notes, contracts).
 - Perform direct confirmation with selected debtors (positive/negative confirmation).
 - Investigate and document any differences reported by customers.
 - Review subsequent receipts and match to outstanding invoices.
 - Assess recoverability and adequacy of allowance for doubtful accounts.
5. Document findings and conclusions.

4. Sample Verification Table

Debtor Name	Outstanding Amount	Age of Debt	Confirmation Sent	Response Received	Subsequent Payment	Remarks
Sample Debtor A	10,000	90 days	Yes	Yes	No	Awaiting payment
Sample Debtor B	7,500	120 days	Yes	No	Yes	Paid after year-end
Sample Debtor C	5,200	60 days	No	-	No	Pending confirmation

5. Conclusion

Based on the audit procedures performed, the outstanding debtor balances have/have not been verified appropriately. Relevant findings should be documented and reviewed for follow-up actions.

Important Notes

- Always assess materiality when selecting sample accounts for verification.
- Ensure all audit evidence is appropriately documented and retained.
- Follow up on significant discrepancies or non-responses from debt confirmations.
- Evaluate adequacy of bad debts allowance based on findings.
- This audit program should be tailored based on entity-specific risks and controls.