

Revenue Recognition Audit Program

Sales Verification

1. Objective

To ensure that revenue from sales is recognized in accordance with the applicable accounting standards and company policies, and that such revenue is valid, accurate, and complete.

2. Scope

This audit program covers the verification of sales transactions for the period under review, including sales invoicing, revenue recognition cut-off, and related controls.

3. Audit Procedures

No.	Procedure	Reference / Working Paper	Performed By / Date
1	Obtain understanding of revenue recognition policies and compare with relevant accounting standards (e.g., IFRS 15, ASC 606).	WP-01	
2	Review and test controls over sales processing and revenue recognition.	WP-02	
3	Select a sample of sales transactions and verify supporting documentation (sales invoice, delivery note, contract, etc.).	WP-03	
4	Check timing of sales recognition for selected samples to ensure revenue is recognized when control is transferred to the customer.	WP-04	
5	Review significant sales recorded near period-end for appropriate cut-off.	WP-05	
6	Reconcile total sales per general ledger to sales reports/statements.	WP-06	
7	Investigate any unusual or material sales entries, including manual adjustments or credit notes issued after period-end.	WP-07	
8	Document all findings, exceptions, and obtain explanations for any variances identified.	WP-08	

4. Conclusion & Reviewer Comments

Auditor: _____ Date: _____

Reviewer: _____ Date: _____

Important Notes

- This document should be updated each year to reflect changes in accounting standards or company policies.

- Sampling should be risk-based, focusing on areas with higher risk of error or fraud.
- Documentation and supporting evidence must be retained for all procedures performed.
- Any exceptions identified should be reported and discussed with management.