

Analytical Procedures Outline

Audit Program for: *Revenue and Receivables*

1. Objective

To obtain audit evidence regarding the completeness, accuracy, and validity of recorded revenue and receivables by performing analytical procedures.

2. Procedure Steps

Step	Description	Reference/Working Paper
1	Obtain prior period and current period financial data for revenue and receivables.	WP-RR-01
2	Calculate key ratios (e.g., Gross Margin %, Receivables Turnover, Days Sales Outstanding).	WP-RR-02
3	Compare ratios and balances with prior periods and industry benchmarks.	WP-RR-03
4	Investigate and document explanations for significant or unusual fluctuations.	WP-RR-04
5	Correlate findings with results from substantive audit procedures.	WP-RR-05

3. Documentation

All calculations, comparison charts, explanations for variances, and corroborating evidence to be included as part of the audit working papers.

4. Reviewer Comments

Reviewer should assess if all significant variances have been properly investigated and documented, and whether the procedures support the audit objectives.

Important Notes

- Analytical procedures help identify areas of potential risk or misstatement.
- Professional judgement is needed to determine what constitutes a significant fluctuation.
- Documentation should be sufficient to allow a reviewer to understand work performed and conclusions reached.
- Comparisons should consider changes in operations, environment, or accounting policies.
- These procedures do not replace the need for detailed substantive testing where required.