

WORK PROGRAM

Company : Fast Food
Section : Cash Collection and Bank Reconciliation
Year : 2003

RISKS	AUDIT OBJECTIVES	AUDIT STEPS/TESTS	Working Paper Ref.
<p>a) Insufficient and not properly trained manpower resources;</p> <p>b) Collection not properly recorded and banked-in into company's account;</p> <p>c) Delayed in financial reporting.</p>	<p><u>OVERALL OBJECTIVES</u></p> <p>a) Determine adequate manpower resources in terms of number and level of competency;</p> <p>b) Sales and cash received are correctly recorded;</p> <p>c) Accuracy and completeness.</p>	<p><i>Note: Program based on presumed or anticipated conditions. If program is changed as a result of conditions found in the field, document the change accordingly.</i></p> <p>1. Prepare/update transaction flowchart/system notes.</p> <p>2. Review and update the work program.</p> <p>3. Determine and document population and sample size.</p> <p>4. By observation and discussion with key personnel, identify change, if any, to existing internal controls.</p> <p>5. Organisation Structure</p> <p>a) Ensure all key positions are manned;</p> <p>b) Review the org. structure to ensure clear reporting line;</p> <p>c) Analyse the manpower size for over/under staffing;</p> <p>d) Review the staffs:-</p> <p>e) Job description</p> <p>f) Resume</p> <p>g) Background</p> <p>h) Contract terms, if applicable</p> <p>6. Collection</p> <p>a) Evaluate the cash recording at headquarter and cash collection at stores;</p>	

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		<ul style="list-style-type: none"> b) Ensure that cash is banked-in on daily basis. If not, ensure that they are kept locked and banked-in on scheduled banking days; c) Review the type of cash collection at stores:- <ul style="list-style-type: none"> a) Cash Register b) Birthday Packages c) Catering d) Juke Box e) Kiddy Rider f) Gifts <p>7. Cash Management / Petty Cash</p> <ul style="list-style-type: none"> a) Review stores' reporting of cash activities to headquarter; b) Determine whether cash collection will be utilised to reimburse the float money and petty cash; c) Payment are properly supported by original supporting documents, approved and authorized; d) Determine the type of utilisation for petty cash and float; e) Determine whether cash advance have been utilized from petty cash. The advances are only for immediate purchases i.e. bulb, maintenance items; f) Determine whether lock boxes are used for petty cash or unbanked 	

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		<p>collection;</p> <p>g) Assess the key holders and the combination of number for safe deposit;</p> <p>8. Bank Reconciliation</p> <p>a) Obtain the current Bank Reconciliation;</p> <p>b) Review the statement.</p> <p>9. Other steps:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>10. Clear review points.</p> <p>11. Prepare 'Findings Summary' (if any).</p>	
<p>Prepared by: _____ Date: _____</p> <p>Reviewed by: _____ Date: _____</p>			