BIBITOR, LLC DATASET SUPPORTING MATERIAL

Recalculating Excise Taxes: Accuracy Testing of the Bibitor, LLC. June 2016 Sales Incorporating ACL or IDEA.

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EXERCISE

You are assigned as the Associate on the audit engagement of Bibitor, LLC. The audit team is using Business Intelligence Tools to examine the population of transactions, such as Sales, Purchases, and Inventory.

Read the Background Information provided and complete the requirements and document your audit testwork.

Background Information:

Bibitor, LLC is a retail liquor company with 79 locations throughout the state of Lincoln. They sell spirits and wine products. Bibitor, LLC has been serving the area for over 50 years. Their wine and spirits selection is hand-picked and focused on value. Their employees are trained as personal beverage concierges and provide unmatched service to all customers. There are over 10,000 brands throughout the organization.

Task:

The in-charge on the engagement obtained 6 data files from the Controller and the Chief Information Officer for beginning and ending inventory, purchases, sales, purchases by invoice, and purchase prices for each inventory item.

The data table for Sales includes the following fields:

- SalesQuantity
- Size
- Volume
- ExciseTax

The in-charge wants to test accuracy of Excise Taxes contained in the Sales data table. The State of Lincoln does charges excise tax versus sales taxes on bottles sold. For wine products, they levy a .00015/ML tax. For spirits, they levy a .00105/ML tax.

Required:

Use a Business Intelligence Tool to test accuracy of Excise Taxes in the Sales data table. Document your test work using the standard workpaper documentation format.