BIBITOR, LLC DATASET SUPPORTING MATERIAL

Completing an Inventory Roll Forward Test: Accuracy Testing of the Bibitor, LLC. June 2016 Inventory Incorporating ACL or IDEA.

AUTHORS:

Charles W. Bame-Aldred, Northeastern University
Carter W. Bame-Aldred, Iron Mountain, Inc.
Ryan J. Murphy, RSM
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 controller stated that the ending inventory counts for the year were conducted and all inventory quantities and costs are adjusted in the data files obtained from he and the Chief Information Officer. He asserts that all individual inventory quantities roll forward and that the data files in your possession can support this statement.

Required:

Use a Business Intelligence Tool to test the controller’s assertion that “all individual inventory quantities roll forward”. Document your test work using the standard workpaper documentation format.