I have answered the questions which you will find at the bottom of the document. I think I should come close but felt like there was some confusion with a few where I guessed my best.

Chapter 10 # 34

(Control activities and related assertions) Several categories of control activities are identified in the chapter using the following framework. Pg. 405

1. Authorization
2. Segregation of duties
3. Information processing controls
4. General controls
5. Application controls
6. Controls over the financial reporting process
7. Physical controls
8. Performance reviews
9. Control over management discretion in financial reporting

Following are specific control procedures prescribed by Trusty Company

1. The computer must match information from a vendor’s invoices with info from receiving and info from the purchase order before a check is issued.
2. A knowledgeable audit committee reviews and approves new applications of GAAP.
3. Two authorized signatures are required on every check over $100,000.
4. Each month management carefully reviews the aged trial balance of AR to identify past-due balances and follows up for collection.
5. A supervisor must approve overtime work.
6. The computer assigns sequential numbers to sales invoices used in the billing system.
7. The computer verifies the mathematical accuracy of each voucher and prints an exception report for items with mathematical errors.
8. Employee payroll records are kept on a computer file that can only be accessed by certain terminals and are password protected.
9. Internal auditors review journal entries periodically for reasonableness of account classifications.
10. The chairman of the audit committee directly accepts confidential e-mails or other submissions concerning questionable accounting and auditing matters.
11. Checks received from customers and related remittance advices are separated in the mailroom and subsequently proceed by different individuals.
12. All vouchers must be stamped “paid” on payment.
13. Department managers review accounting for warranty claims on a weekly basis.
14. On a quarterly basis, warranty expenses are compared with actual warranty claims.
15. Only computer operators are allowed in the computer room.
16. The computer will not complete the processing of a batch when the AR control account does not match the total of the subsidiary ledgers.

Required:

a. Indicate the category of control activities applicable to each procedure using the framework above.

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| 1 | B. Segregation of Duties |
| 2 | F. Controls over Management Discretion in Financial Reporting |
| 3 | B. Segregation of Duties |
| 4 | E. Performance Reviews |
| 5 | A. Authorization |
| 6 | C-2. Information Processing Controls |
| 7 | C-3. Information Processing Controls |
| 8 | D. Physical Controls |
| 9 | E. Performance Reviews |
| 10 | F. Controls over Management Discretion in Financial Reporting |
| 11 | B. Segregation of Duties |
| 12 | A. Authorization |
| 13 | E. Performance Reviews |
| 14 | B. Segregation of Duties |
| 15 | D. Physical Controls |
| 16 | C-3. Information Processing Controls |