AI Risk	Procedures
Revenue Risk of overstatement of revenue, contract asset/receivables and profit because: • contracts may include variable consideration (variations, bonuses/penalties) and should only be included in transaction price if highly probable there will be no significant reversal. The policy wording refers to FV whereas IFRS 15 is based on transaction price • the output method relies on a stage of completion certified by a surveyor who may not be independent • if outcome cannot be reasonably measured, revenue should be limited to recoverable costs incurred [redacted]	Inspect signed customer contracts and correspondence for variations, claims and penalty/bonus clauses and assess whether variable consideration is appropriately constrained. Inspect signed customer contracts to confirm the total fixed price, the single PO and the stage-payment terms. Critically assess the surveyor's competence, objectivity and independence (external vs CC staff). Reperform revenue calcs (% completion x total price) using the surveyor's certificate of % completion at 31.12.25. [redacted] [redacted] [redacted] [redacted] [redacted] [redacted] [redacted]

Analytical Procedures

	11m	2024	Change	%
Revenue	*13,209,728*	15,544,578	(2,334,850)	(15.0%)
COS	*(10,284,054)*	(11,623,482)	1,339,428	(11.5%)
GP	*2,925,674*	3,921,096	(995,422)	(25.4%)
GPM	*22.1%*	25.2%		

2025						
	Jan	**Feb**	[redacted]	[redacted]	[redacted]	[redacted]
Revenue	2,180,883	1,292,690	[redacted]	[redacted]	[redacted]	[redacted]
COS	(1,082,467)	(1,549,804)	[redacted]	[redacted]	[redacted]	[redacted]
GP	1,098,416	(257,114)	[redacted]	[redacted]	[redacted]	[redacted]
GPM	50.4%	(19.9%)	[redacted]	[redacted]	[redacted]	[redacted]

SAMPLE: NOT FOR USE

REVENUE (IFRS 15)

IFRS15 Revenue

- Revenue recognised when control transferred (services provided), not when cash received

5 Step Model	
Identify customer contract	Terms approved by buyer and seller
Identify the distinct Performance Obligations (PO)	Goods to be delivered and services to be provided - Distinct PO: separately identified in the contract; can be sold separately and has a distinct function so that customer can use it without the other services provided in the contract i.e. the goods/services in the contract are not integrated, not highly interrelated and do not modify one another.
Determine Transaction Price	Amount of consideration entity expects to be entitled to receive Variable consideration: most likely outcome/expected value - e.g. bonuses, penalties, refunds, incentives, discounts [redacted]
Allocate Price to PO	Goods and services provided together: - Allocate based on standalone prices - Overall discount applied evenly to each PO
Recognise revenue when PO satisfied/control transferred	PO satisfied over time: - Customer simultaneously receives and consumes benefit - Creates an asset that customer controls - Asset has no alternative use and right to receive payment for work complete [redacted] - [redacted]

Inflo / Data Analytics Software (DAS) Exam Technique Guidance

Explore

- FS view: high level view
- Account view: breakdown of FS number by account code
  - Significant change from prior year/inconsistent with information in scenario
  - Accounts with significant monthly increase/decrease (can visualise on bar chart) e.g.
    - Revenue
    - Cost of sales
    - Contract asset and Contract liability
    - Accruals and Capitalised contract costs
    - Losses on contracts and Provisions
    - Loans and Interest
    - Investment
  - Accounts not moving as expected e.g. [redacted]

- Transaction detail:
  - Other side of entry e.g. suspense account, technically incorrect
  - Amount e.g. material, round number
  - Date and time e.g. close to year end: manipulating profits/cut-off risk, outside work hours

  [redacted]

- Combine numbers/detail with information in scenario to identify risks (like non-Inflo questions)

- Stacked Bar Chart
  - Identify high risk transactions based on any two variables

  [redacted]

Variables	Risks
Period/Accounts	Posting in high-risk account close to year end e.g. accruals, revenue
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]

SAMPLE: NOT FOR USE