

Audit Sampling Methodology for Fraud Detection

To: [Recipient Name]

From: [Your Name]

Date: [Date]

Subject: Audit Sampling Methodology for Fraud Detection

Dear [Recipient Name],

This letter outlines the audit sampling methodology that we will employ for detecting potential fraud within [Organization Name]. As part of our commitment to ensuring transparency and integrity, we aim to effectively identify irregularities through a structured approach.

1. Objectives

The primary goal of this audit is to uncover any fraudulent activities that may exist within financial records and transactions.

2. Sampling Method

We will utilize a combination of statistical and non-statistical sampling methods, focusing on high-risk areas identified through preliminary assessments.

3. Sample Size

Based on risk factors and materiality levels, the sample size will be determined to ensure a confident level of reliance on the outcomes.

4. Selection Criteria

Samples will be selected based on specific risk indicators, including voluntary disclosures, significant variances in expenses, and transactions with unusual patterns.

5. Documentation and Reporting

All findings from the sampling process will be documented comprehensively, and a final report will be provided to highlight identified risks and recommendations.

We appreciate your cooperation during this audit process. Should you have any questions or require further clarification, please do not hesitate to reach out.

Best regards,

[Your Name]

[Your Position]

[Your Contact Information]