

**AUDIT &
ASSURANCE
NICARAGUA**

AUDIT & ASSURANCE

Geographic borders no longer represent an obstacle to economic exchange between countries and companies; communications develop at an accelerated pace and technological resources are more advanced every day.

Our audit service aims to satisfy a need for financial information in an ever changing environment, taking care of the integrity and accounting of that information to provide the financial health of our clients and third parties, interested in that information.

We plan our audits carefully in order to identify the strengths and benefit from the opportunities of your company; but even more so, to detect your threats and weaknesses, in order to provide you with improvement opportunities in order to reduce the risk of your business.

In this area, our work is translated into an advisory function based on audits. We plan our audits to give an opinion on the financial and non-financial aspects of your organization.

SERVICES

- ▶ Financial audits
- ▶ Compliance audit
- ▶ Review of financial statements
- ▶ Compilation of financial statements
- ▶ Audit according to procedures agreed on
- ▶ Capabilities and specializations





FINANCIAL AUDITS

Our main objective is to provide an independent audit opinion, with the purpose of guaranteeing reasonableness in the financial statements.

The audit service can go further and provide value by integrating the audit of financial statements with other quality professional services.

At BDO Nicaragua, we are continuously concerned on aiding our clients and our people in achieving excellence. It is for them, that we use a combination of strong technical knowledge with high technologies for the development of our audits.

Our audit techniques integrate the phases of the audit process and contain tools for evaluation, analysis, documentation, administration, review, communication and presentation of audit risks, as well as electronic documentation of work papers and client bases.

Our technological auditing processes allow us to efficiently and effectively conduct work, and provide us with a fast and flexible file integration capability to handle most of the time any information in databases.

In this way we reduce our analysis costs, we add quality to work, satisfying the new professional requirements linked to internal control and to the withholding of risk situations.

Using technological processes, we can read, visualize, analyze, store, manage, collect samples or extract data from files originating from multiple sources from a mainframe or a PC, including printed reports. Additionally, we have technical consulting tools (IFRS, ISA, FAS, SAS, etc.) that allow our professionals to perform consistent, high-quality audits anywhere in the world.



FINANCIAL AUDITS

This added value is a differentiator and is characterized by:

- ▶ The performance of audits focused on minimizing business risks.
- ▶ The evaluation of the integration of the systems and processes and the veracity of the key controls, issuing a report of improvement opportunities.

With the desire to add value to our clients, within the report of opportunities for improvements, we are adding a tool that modifies and renders benefits when identifying problems and all the causes that provoke it in a graphical way. This tool is known as the Fishbone diagram or CAUSE-EFFECT diagram.

The gain for our customers is to use it to analyze needs assessments deeper processes that are reflected in day to day basis as a fine efficient process.

This tool will be explained to them in case they request it so that they can through an enriching dialogue, consider the magnitude of it

- ▶ A standardized audit methodology adapted to the needs of companies of different sizes and activities, with the objectives of efficiency and quality.
- ▶ Oriented to evaluate the aspects of fiscal and regulatory compliance, when it exists.



COMPLIANCE AUDIT

Organizations are subjected to laws and regulations whose non-compliance may jeopardize the continuity of any organization or generate large financial losses for fines and surcharges that may affect the image, credibility and even close your Business or Organization.

On occasion, these non-compliances result from the unawareness of those responsible for complying with such regulations or simply by not having an adequate supervision system to ensure compliance.

To help you in this task we have designed the following services:

- ▶ Compliance audit with tax laws
- ▶ Compliance audit with banking and insurance norms and regulations
- ▶ Compliance audit with international donation and loan agreements



REVIEW OF FINANCIAL STATEMENTS

A review mainly consists of inquiries made with Management and Company personnel and analytical procedures applied to the financial data, which provides a reasonable basis for expressing with limited certainty that it is not necessary to make substantial modifications to the financial statements so that these are presented in accordance with generally accepted accounting principles.



COMPILATION OF FINANCIAL STATEMENTS

These services do not constitute an audit of financial statements in accordance with international auditing standards. A compilation is limited to presenting, in the form of financial statements, information that constitutes the representation of the Management.



AUDIT ACCORDING TO PROCEDURES AGREED ON

This service consists of carrying out specific audit procedures previously agreed upon with Management. The objective of agreed-upon procedures is to have an auditor carry out the auditing procedures as agreed by the auditor, the entity and any appropriate third party, and notify the results.

Since the auditor simply provides a report of the factual results of the agreed-upon procedures, no certainty is expressed. Instead, report users evaluate themselves, the procedures and results reported by the auditor and draw their own conclusions from the auditor's work.

The report is restricted to those parties that have agreed that the procedures be carried out, since others, not aware of the reasons for the procedures, may misinterpret the results.



CAPABILITIES AND SPECIALIZATIONS

Our staff has extensive experience in International Financial Reporting Standards (IFRS), United States Generally Accepted Accounting Principles (US GAAP) and cash basis of accounting.

Our experience covers specialized industries whose knowledge is acquired through our active participation and updates of laws and regulations in these sectors.

Among the specialties where our leadership is recognized by the business community are:

- ▶ International Trade
- ▶ Pension fund
- ▶ Financial institutions
- ▶ Securities intermediation
- ▶ Manufacturing industries
- ▶ Distribution companies and services
- ▶ Government and NGOs

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