Characteristics of Monetary Unit Sampling in KPMG

Abstract

Monetary unit sampling (indicated by MUS) techniques are used to estimate the total amount of misstatement for a class of transaction or an account balance. A sample of monetary units is selected from a population consisting of a collection of monetary units. The problems which must be faced in using MUS are:
- determination of an appropriate sample size;
- determination of the sample design;
- extension of the misstatement to the population.

The purpose is to present the characteristics of KPMG Sampling Plan starting from the first problem, that is, the reasons of using sampling procedure in KPMG.

Then it will presented and explained the Decision tree and the Flow Chart MUS in order to show how to face the problems for the auditor in relating statistical sampling to the objectives of estimate the error rate.

Moreover it will be explained the features and functionality of the sampling interval used.

Another important subject will be the comparison between KPMG MUS and IDEA MUS. The differences between the two method of statistical sampling will be explained in details.

References


