Audit International
Firm Author

Contents

1. RESOURCES AVAILABLE TO YOU

We value our clients, and it is extremely important to know who to contact if you require any help with CaseWare. To ensure we supports you effectively, there are following support channels are available to you:

First contact the firm's appointed CaseWare champion (If there is indeed a firm appointed champion). **Access the CaseWare online Help centre from the Backstage View in the Working Papers, click on Help. Internet access is required to access any of the four-links shown in the Help centre below.** **The same applies for Audit related queries.**	
Browse the Knowledge Base on:	success.casewareafrica.com/

1.1 CaseWare Africa Success Community

Getting help with CaseWare is just a click away. The CaseWare Community is our latest innovation to help you achieve success when using CaseWare and all our associated products. The community was developed to serve as the primary place for you to find information, updates and other useful resources. Here you can gain quick access to the knowledge base, product updates and your log in screen. It also comes with our search function to help you search for the information you are looking for.
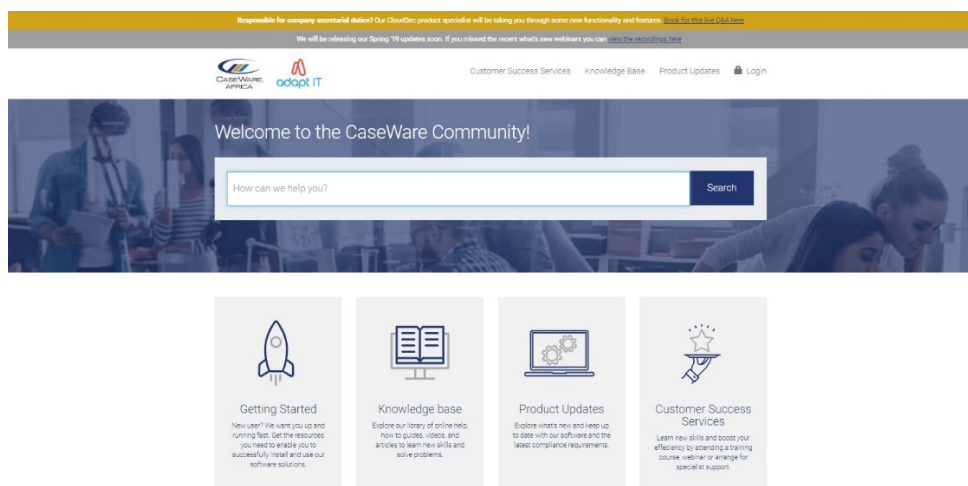
Below is a quick video that explains all the features and benefits of the CaseWare Africa Success Community and it will provide you with an overview of how to use it to help you achieve success.

Click here to play our introduction video

1.2 Jumpstart to CaseWare Working Papers

There are three applications within CaseWare Working Papers:

	CaseWare Working Papers	This is the main application used as client engagement file.
	CaseView	This is a separate word processor application with CaseWare Working Papers. This is the application that is used to create the financial statements and other audit documents.
	Tracke	This is a separate application to help manage CaseWare Working Papers files without having to open the files.

1.3 How to install CaseWare Working Papers on your Personal Computer (PC)

Installing CaseWare Working Papers is very easy and can be done via the Cloud (Software as a Service). If you do not have CaseWare Working Papers 2016 installed on your computer, you can access the CaseWare Africa Success Community and access the "My Software" section to find the link to your new software including your Download and Authorisation codes.

Access all the collateral from the community to help you install CaseWare Working Papers

Video | How to download install and register CaseWare Working Papers (Cloud installer)

**Guide | How to download install and register CaseWare Working Papers from the cloud installer**

Guide | How to download, install and register your CaseWare Working Papers 2016 from a silent install packager

Downloading the Software

- Upon clicking on the above link in the email, you will be routed to the CaseWare Africa Success Community. Here you will see information on the release including a summary of the changes or enhancements to the software. Further down the page, you will also have access to Install instructions and system requirements. There will also be the option to download release notes for even more details.
- You will be required to log in to have access to download the software.
- After logging in and opening the "My Software" page, click on the button to Launch the Download Packager.
- The CASEWARE AFRICA cloud download packager will launch and require a download code (usually auto-populated) and your email
- address to continue to the next step.
- The next step is to select he applications you wish to install. This will in most instances include the most recent version of the working papers and the template. Select the applications and click on Next to generate the package. Once generated, you will be able to click on Download to start the download process. The install package will download to the default Downloads folder on your machine and will be a zip folder. Go there to access it.
- Right -click on the zip folder (it will be named CASEWARE AFRICA Installer) and "Extract All".
- When all your files are extracted, open the folder and double click on the "Setup" file to begin the installation.
- This will prompt the "CaseWare Working Papers Setup Wizard" screen.

The CaseWare Working Papers Setup Wizard
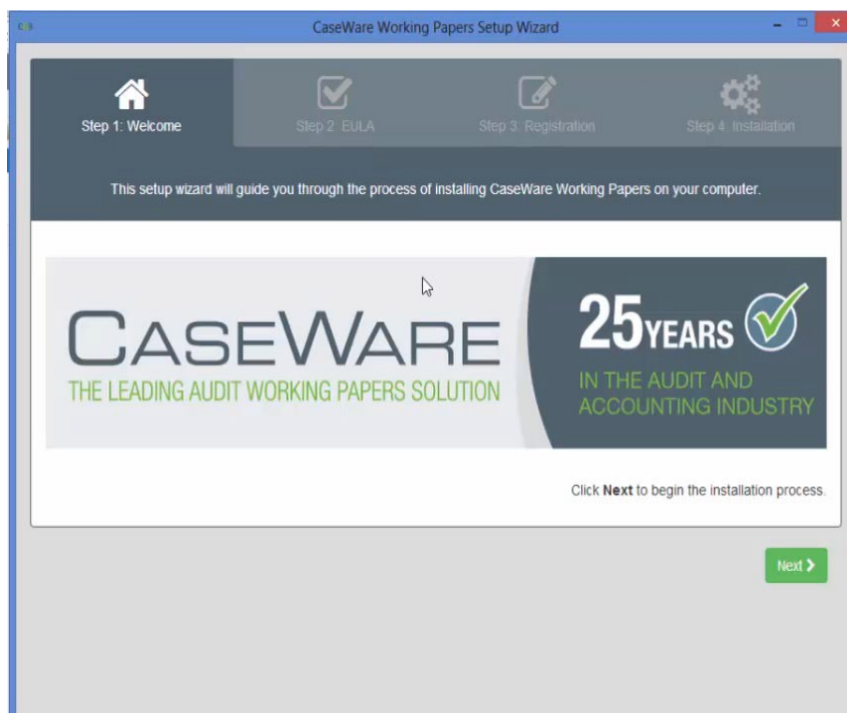
- **Step 1 –** The Installation wizard should start automatically once the Cloud download is complete. If it does not start automatically, use Windows Explorer to find setup.hta to start the installation wizard manually. It will bring you to the welcome screen shown here.
- **Step 2 –** Here you accept the terms in the license agreement and click next to continue
- **Step 3 –** If the new license key is not pre-populated, just copy and paste the Download code from the "My Software" section in the CaseWare Africa Success Community. You will also be asked to confirm your email address and click next.
- **Step 4 –** Now you have reached the fourth and final step which is also known as the "Installation" step. Here a summary of all templates selected is displayed. If you are satisfied with the components listed to be installed, click on "Install" to execute. Your software will start to install. Once each component is finished, it will be highlighted in green. Note that some templates may ask you to confirm the country you will be using this template. South Africa will be selected by default. Once all your templates have been successfully installed, you can click on the Finish button to exit the Wizard.
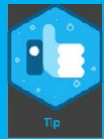
How do I know what version I currently have?
Open the financial statements and check the version number on the Freeze pane in the top right-hand corner. The CaseWare Africa Success Community has a "Product Updates" section that you can access to find all the information on what the latest versions of CaseWare and the templates that apply to you. To access the "Product Updates" page on the community **click here** to access

Register your software
When you open CaseWare Working Papers for the first time, you will receive this pop-up screen. CaseWare can be run for 60 days on a demo account, however we recommend that you register and confirm your license credentials as soon as possible. To register, click on "Get license" and furnish the field with the license key that was supplied to you in the email.

Video | Audit International | 01 Introduction to Audit International

2. GETTING STARTED

2.1 Objectives

When the course is complete, users of the Audit Template will be able to:

- Create files incorporating Audit into either existing or new client files
- Create and track risks, controls and reportable items throughout the audit process
- Customize work programs and checklists to meet client requirements
- Review client files using Audit and Working Papers tools
- Update client files with changes in content

2.2 Introduction to CaseWare Working Papers

The CaseWare Working Papers template ("**Audit**") provides an automated approach to the audit engagement. It is designed to automate many of the processes within the audit engagement while allowing quick and efficient access to the entire working paper file.

Always consider the standard procedures provided considering the specific needs of each engagement. It is the firm's responsibility to ensure that there are no new pronouncements or changes in existing literature that need to be addressed.

Audit provides several schedules to document the work carried out. It is the auditor's responsibility to ensure the extent of work carried out and the evidence obtained and documented in the file is enough to comply with required documentation standards.

When working in the Audit template, the software can be used by two user types. The first type is the **Author** or **Firm Author**, who customizes the content in the master template and repackages the template for use by the firm's engagement teams. The second type is the **User** or **Engagement Team**, who works on client files, either based on the master template or in corporate documents from the master template brought in through the document library.

This training is targeted to the content expert in a firm who acts as the **Firm Author**. As such, your role is to come to a consensus on firm standards and then customize the content and layout of for the user / engagement team. By doing so, you streamline the decision-making process and ensure that accounting and auditing standards are available to the user. With a customized template, you can keep content current, modify content to meet your firm's requirements, determine how much flexibility to give users to modify the firm's standards, and make it easier for the user to complete the engagement.

As the firm author, you will:

- Define the default settings that are applied globally to all client engagements.
- Customize existing content or add new content to work programs and checklists.
- Add or remove new work programs and checklists (i.e. for industry specific content)
- Customize the Document Manager to meet the needs of your organization including adding any additional documents deemed necessary.
- Repackage and distribute the customized firm audit template to your engagement teams.

2.3 Audit International Overview

CaseWare Africa content provides non-authoritative guidance on applying International Standards on Auditing (ISAs) issued by the International Auditing and Assurance Standards Board (IAASB).

Developed by the authors of IFAC's Guide to Using International Standards on Auditing in the Audits of Small- and Medium-sized Entities, these forms will assist you in meeting the needs of individual engagements according to IFAC's international auditing standards and provides you with the added functionality of completing them electronically.

Condensed versions of the standard forms (where consider points and instructions have been omitted) have been provided for use by highly knowledgeable auditors (on ISA requirements) and on smaller audits where some of the ISAs requirements may not be relevant to the particular entity. However, when using condensed form or a structured memorandum, the standard forms that contain more details about the requirements should be used as a reference guide. Compliance with ISA requirements is required regardless of what forms (standard, condensed or memos to file) are used."

For further information on applying ISAs to various sized entities, please see the IAASB articles, which are available on their website, www.ifac.org.

The sample forms, checklists, work programs, and tools provided in the template are useful practice aids that can save time and money while ensuring completeness and consistency. However, these practice aids do not address the wide range of circumstances, risk factors, or specific industry issues that may exist for a client or groups of clients (such as those operating in a specialised industry).

Consequently, forms should always be tailored to address the known facts and circumstances of each engagement.

Disclaimer
These forms are designed to assist practitioners in the implementation of the International Standards of Auditing (ISAs) on the audit of small- and medium-sized entities. The forms are not intended to be a substitute for the ISAs themselves.

A practitioner should utilise these forms considering his or her professional judgment and the facts and circumstances involved in each audit. CaseWare Africa. disclaim any responsibility or liability that may occur, directly or indirectly, because of the use and application of these forms.

Copyright
The Audit International template is copyrighted by CaseWare Africa. Use of this template is subject to CaseWare Africa's end user license agreement. All intellectual property rights in the software and content remain the exclusive property of CaseWare Africa. When using this template, you must comply with the law, including without limitation, copyright laws.

2.4 Audit System Overview

Audit System provides a standardized framework within which firms can create content and manage internally developed methodologies. Firms can take advantage of the built-in automation which promotes efficiency in the audit process.

The System comes equipped with standardized:

- Work programs and checklists
- Financial statement areas worksheet
- Risk dialog and risk report

- Controls dialog and control matrix(ces)

- Reportable items dialog and management letter report

- Partner and manager summary document

- Document version report

- Firm setup documents (Firm option and Firm information)

- Many automatic documents including lead schedules

- Standard CaseView document

- Materiality document

2.5 Audit Features

Audit provides a standardized framework within which firms can customize and create content or use Audit International content right out of the box. Firms can take advantage of the built-in automation which promotes efficiency in the audit process.

Audit is friendly and easy to use and helps engagement teams gain efficiencies through its automation and powerful functionality. Engagement profiles are configured to utilize various combinations of the template components including:

Content Authoring

Standardized programs and checklists make it easy for firm authors to create and manage content. Right click menu options provide simple to use functionality to add or customize existing content. Permissions exist to define work program/checklist presentation format and terminology. Customization options are available to define:

- Work program responses

- Procedure sign-off behavior

- Work product/sign-off retention policies on year-end close process

- Define Assertions

- Define Risk options

- Define Control options

- Define Reportable Item options

- Engagement Profiles

Content Management

Version tracking functionality exists within Audit to enable content to be tracked at the document and procedure level, ensuring that client files are always up to date with the latest firm and CPA content. As the firm author, you define globally how future content updates are to be addressed in client files. The version tracking document provides a concise report of documents/procedures that differ from the master firm template.

Tracking Risk

A centralized risk tracking system allows you to create, manage and report identified risks. Record risks as they are identified throughout the audit by clicking in any document. Risks are stored centrally then conveniently presented in the Risk Report and at the top of each work program. Risk properties and attributes are easily customizable by the firm author.

Tracking Controls

Combined with the centralized risk tracking system, Audit enables you to create, manage and associate controls to the relevant risks. Record controls by clicking the in any document. Controls are stored in the central database and then reported in control matrices, displaying the relationship with risks and grouped by business cycle.

Tracking Reportable Items

As part of the client engagement process, reportable items may be identified. The accumulation of reportable items has been automated to help you easily manage and track them. Record reportable items as they are identified throughout the engagement process by clicking in any document. Reportable items can be added from any work program or checklist and from other selected forms. Reportable items can also be linked to specific letters.

Efficient Partner/Manager Review

Preset the Partner Manager Summary document in the customized template to present the information deemed important by the firm author for engagement executives. Multiple versions of the document can be created by copying and pasting and setting the filters to define the desired content.

Dashboard

The dashboard is a powerful tool that ensures engagement teams follow the firm approved approach to conducting audits. Create a customized workflow and link your documents to the workflow to help guide your teams through the audit or use the existing workflow as is.

Financial Statement Areas (FSA) Worksheet

This worksheet provides a central source for reviewing material accounts, setting up business cycles, defining relevant assertions and referencing to the appropriate work programs. Used in the planning process, the FSA helps teams quickly and easily identify material accounts.

Risk Report

A comprehensive report providing detail information of all risks identified in the engagement. Apply filters and views to present high-level information that is important to engagement executives or present detail information for engagement team members.

Control Matrix

A comprehensive report displaying detail information about the controls and the association to relevant risks. Create multiple matrices to display the controls by business cycle or manage within a single matrix by applying business cycle filters.

Work Programs and Checklists

Fully automated documents that are easily customizable by the firm and the engagement teams. Right click menu options provide simple to use functionality to customize content, add existing content from the firm library, link procedures to identified risks, efficient sign-off, automatically create an issue based on pre-defined responses and much more.

Management Letter Report

The management and presentation of audit findings can be organized into a collection of reportable items, summarized in a Management Letter Report. A reportable item dialog enables you to collect audit findings and make recommendations. The Management Letter Report displays all these findings in an easy-to-view format. You can then decide which findings are to be published to the management letter.

Audit Optimizer

Assists engagement teams in building an effective audit by removing:

- Unnecessary documents based on checklist responses, industry selections, or materiality considerations in the Financial statement areas worksheet

- Risks that are not applicable for the client

- Unassociated controls

- Work program procedures based on checklist responses or those that do not meet the assessed level of risk for the financial statement area

- Inserting procedures linked to a risk

Engagement Profiles

Specifies a set of documents, and, optionally, general options that enables the engagement team to tailor a client file for a specific type of engagement. The firm can customize the engagement types found in any jurisdiction or use CaseWare's pre-defined engagement profiles. When an engagement team creates a new client file from the template, an engagement profile can be selected from the list of available profiles.

3. AUTHORING IN AUDIT

3.1 Introduction

The firm's customized Master Template should be updated by the Firm author. Once updated, the Master Template can be further customized, repackaged, and distributed to your users. The update includes changes for both functionality and content.

In this section, we will examine how the firm author can:

- Access the Master Template.
- Use and disable the Work Flow Panel (if available).
- Access the Document Manager.

This section will also identify some of the common menus and buttons used in CaseWare Audit.

3.2 Master Template

The template installs with a master template and a library accompaniment.

The master template contains all standard documents, mapping and leadsheet groupings, and all customized settings. It serves as the base template that the engagement team will use. As the firm author, ensure that you are working in the firm's master file when you are making any customizations for your firm.

The library acts as a content database containing all the audit procedures for Work Program and Checklist documents. The default location of the library is **C:\Program Files (x86)\CaseWare\Library\AuditInt**, but direct access is not required. Adding new procedures or customizing existing procedures is done through the work program and checklist documents in the master template. Any procedures removed from the documents can subsequently be added back from the library.

To access a document from the Document Manager:

1. From the Navigation Toolbar in Working Papers, click **Documents**.
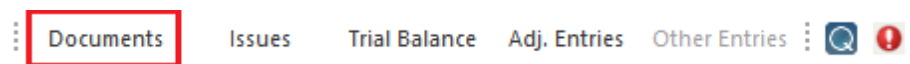
2. Click ▷ to expand a folder and display its documents and sub-folders. Click ◢ to collapse the folder.

3. To open a document, double-click the document.

Tags

Some documents within the master template have been tagged with one or more document tags. When a user first creates a new client, file based on the master template, you may allow the user to select an engagement profile that keeps only those documents tagged with the document tags assigned to the selected profile.

You can tag documents within the master template and assign tags to engagement profiles to meet firm standards. Document tags are also used to create document manager filters. Tagging done at the master template level will not be seen in the end user client file.

To add tags:

1. Right-click the document and select **Tags**.
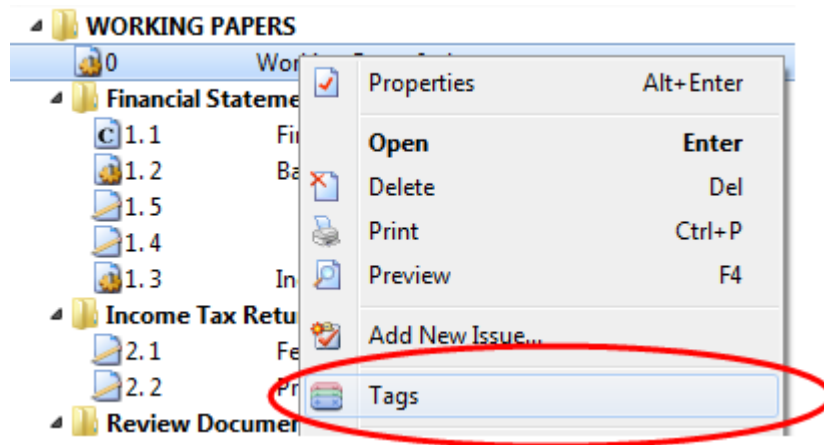
2. Use the **Tags** dialog to assign tags.

3.3 Interface

The advanced documents within template are created using CaseView, a revolutionary tool that takes any type of document or working paper to top-notch publishing quality. CaseView's "smart technology" supports full object-oriented decision logic to automatic formatting, rounding, diagnostics, account amounts, text, account balances, and information from other CaseView documents. Due to the advanced calculations and automations built into template, some of the design functionalities of CaseView are not available.
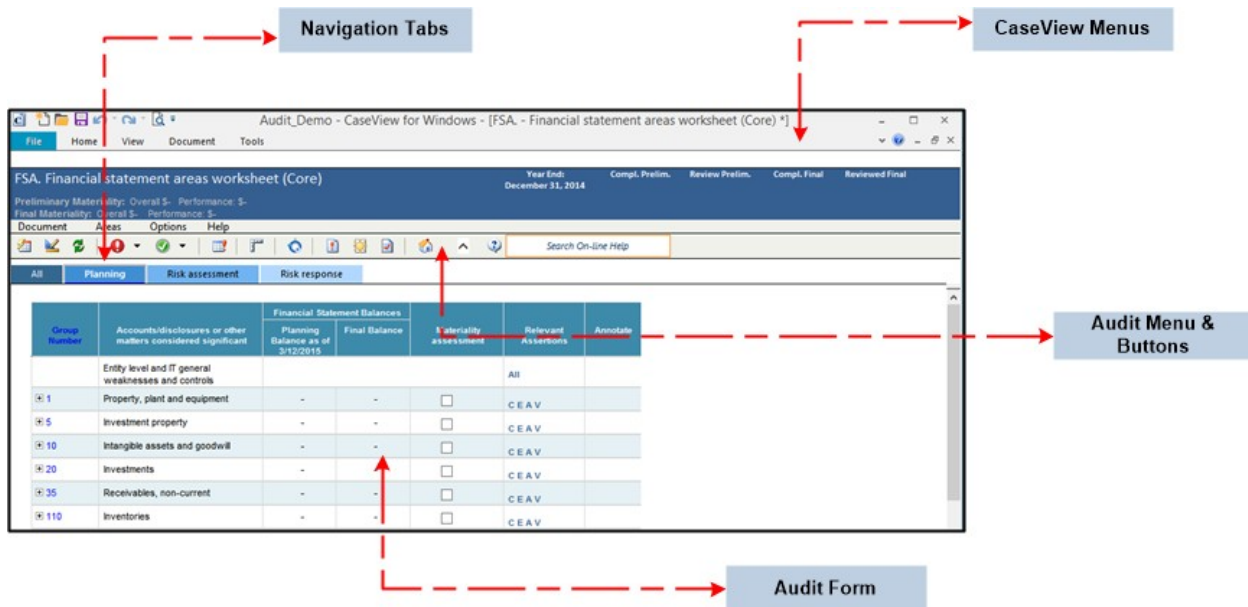
Common areas found in most documents are as follows:

Area	Description
CaseView Menus	You can access the available CaseView features here.
Menus and Buttons	You can access -specific features using these context sensitive menu items.
Navigation tabs	For work programs and checklists, you can select to display certain areas of the document using the navigation tabs.
Form	The main body of the document displays in this area.

Note: Documents within the template make use of context-sensitive right-click menus throughout each document. Right-clicking within an area will bring up the most often used functions that are available from the Menus and Buttons area.

2.3.1 Common Buttons

The following common buttons appear throughout the **Audit** template.

Button	Description
	Open the "Risk Dialog" on page 130 to document risks identified throughout the audit. The drop-down menu next to the New Risk button provides the following options:

Option	Description
New Risk	Same action as the New Risk button: open the New Risk dialog
Import Risk	Import risks from another file.
CaseWare Working Papers RiskSpace	Import risks from CaseWare Working Papers RiskSpace.

| | Opens the "Controls Dialog" on page 142 to document controls identified throughout the audit. The drop-down menu next to the New Control button provides the following options: |

Option	Description
New Control	Same action as the New Control button: open the New control
Import Controls	Import controls from another file.
CaseWare Working Papers RiskSpace	Import controls from CaseWare Working Papers RiskSpace.

| | Opens the "New Reportable Item Dialog" on page 149 to document reportable items identified throughout the audit. |
| | Populate the report based on options selected. |

Button	Description
	Opens an area where options for the report are configured. Use the drop-down lists to select items.
	Opens an area where additional business cycles can be defined. Cycles can be added or deleted, and relevant control matrix and walkthrough documents can be defined.
	Refreshes the opening balances from the engagement trial balance and update planning balances in the **Financial Statement Areas Worksheet**. Refreshes the **Management Letter** with pre-defined reportable items and specified configuration settings.
	Inserts/removes the risk report area in **Financial Statement Areas Worksheet** and **Work Programs/Checklists**. When included, the risk report information displays at the top of the worksheet and shows risks that are applicable to all financial statement areas affected (Entity level risks).
	Inserts/removes the management letter report area in **Work Programs/Checklists**.
	Shows/hides the ruler at the top of the work program. The ruler can be used to resize column size within the work program.
New!	Shows/hides the document/procedure guidance.
	Select the desired paper size and orientation. Options for orientation are portrait or landscape and for paper size A4 or letter paper.
	Opens CaseWare RiskSpace. RiskSpace is an online community that lets you quickly download free content to help you identify risks, related controls and management letter comments.
	Saves a view based on selected filters in Risk Reports or Control Matrices.
	Deletes a view previously saved in Risk Reports or Control Matrices.
	Opens the risk report in a new window.

Button	Description
	Launches Constellation
	Opens the **Financial Statement Areas** worksheet in a new window.
	Opens the Audit Optimiser Confirmation Report.
	Opens the online help specific to the current template document.
	Returns to the Working Papers Document Manager/Work Flow Panel.
	Select an item from a predefined list. In some circumstances, you can select **Other** from the list to display an input cell where you can type your own description.

2.3.2 Common Menus for Work Programs and Checklists

Document Menu

Item	Description
Properties	Displays the name of the document and industry selection for the document. Select the industry for the document for authoring industry-specific content. Select the items to show for the user, such as showing the notes row and changes to the response types. For checklists, there are further additional options such as show / hide of some columns in the checklist.
Check for Updates	Compares the content in the master template document with the Content Library to ensure the latest procedures included in the document. The template initializes the update process according to selections made by the firm. Procedures set by the firm as "required" will always be updated and added to the document.
View Check for Updates Summary	Displays a page, in your web browser, that summarizes the results when **Check for Updates** has been performed.
Check for Based on Procedure Status	Enables author to view which procedures are based on another procedure. When changes are made to the base procedure, you can compare the procedures and make changes accordingly.

Display Highlight Options	Highlights procedures based on selected criteria. Highlights procedures display unique colors/outlines for updated procedures, inserted procedures or out of date procedures. See "Managing the Content" on page 186.
Risk	Display a submenu listing options for adding or imported identified risks. The available options are:

Option	Description
New Risk	Add a new identified risk.
Edit Risk	Edit a risk that was previously created, when the curs on the risk on the risk report (if inserted).
Delete Risk	Delete a risk that was previously created, when the cursor is on the risk on the risk report (if inserted).
Import Risks...	Import risks from another file.
CaseWare Working Papers RiskSpace...	Import risks from CaseWare Working Papers RiskSpace.

This menu item is available only if you have enabled the creation of new risks in the **AO - General Options** document in the master template.

New Control	Add a new identified control. This menu item is available only if you have enabled the creation of new controls in the **AO - General Options** document in the master template.
New Reportable Item	Add a new identified reportable item. This menu item is available only if you have enabled the creation of new reportable items in the **AO - General Options** document in the master template.
Lock Author Mode	Locks documents in the master template such that no content changes can be made into the content library. Lock Author Mode is a global option to lock menus in the master template such that procedures cannot be modified. Changes are still allowed at the engagement level by the users.
Lock User Procedure Customizations	Enables firm authors and users to lock customized procedures added to a specific document to prevent changes. The lock can be applied to existing procedures or to all procedure customization. If locked by the firm author, the time and firm author's initials are displayed at the top of the document and users require a password to unlock procedure customization in that document.
Configure Document Prerequisites	Options for author to specify document dependency. Authors define which documents must be signed off by which roles before the current document can be worked on. The document prerequisites will not be applied to the master template, and it will only be used when a new file is created based on the master file or files from the master file is brought into a file through Content Library.

Apply Document Prerequisites	Applies document prerequisites dependencies at the engagement level. Option is checked on by default.

Procedure Menu

Item	Description
Import Procedures	Import procedures from work program or checklist documents. Selecting this menu option opens the Import Procedure Dialog, in which users can specify the import source.
Review Deleted Procedures	Any deleted procedures and sub procedures will show in the original location, in the CaseView skip text color, and note numbering will be shown as {N#}. If you want to restore any deleted procedures or sub procedures, right-click the deleted procedure and select **Restore Procedure** or **Restore Sub Procedure**.
Allocate procedures to groups	Display a dialog that enables you to allocate procedures in this checklist to groups defined in Working Papers. This menu item appears only when procedure allocation has been enabled in the **AO - General options** document in the master template.
Edit Procedure Action	Edit the action to be performed by the Optimiser when the engagement team responds to the procedure. The items that can be deleted by a procedure action are specified in the Optimiser section of the **AO - General options** document in the master template.
Modifiable	Enables editing of the procedure that the cursor is currently on. If you set a procedure that is not owned by the firm author to Modifiable, you will be asked whether you want to change ownership of the procedure. Changing ownership will create a copy of the procedure for the firm author to modify and will delete any custom procedure action defined for that procedure.
Bold	Displays the procedure that the cursor is currently on in bold text. If you wish to set only parts of the procedure text to bold, change the procedure to Modifiable first.
Procedure Number	Show/hide procedure numbering for the procedure or sub procedure the cursor is currently on.
Procedure Guidance	Display guidance text for the procedure or sub procedure that the cursor is currently on. To modify the guidance, you must make the procedure Modifiable.
Insert New Reference	Add a reference to the procedure or sub procedure that the cursor is currently on. This menu option may not appear if the reference is turned off in the document properties.
Insert New Procedure from Content Library	Insert a procedure from the content library. Items that appear in the content library may be optional procedures.

Insert New Sub Procedure - 1st level	Insert a new procedure as a sub procedure of the procedure that the cursor is currently on. If you do not own the procedure to which you want to add this sub procedure, you will be asked whether you want to change the ownership of the procedure. Changing the ownership will create a copy of the procedure for you to modify. Sub procedures are limited to a maximum of 30.
Insert New Sub Procedure - 2nd level	Insert a new procedure as a 2nd level sub procedure of the sub procedure that the cursor is currently on. This menu item will not be available if the cursor is not on a 1st or 2nd level procedure. Sub procedures are limited to a maximum of 30.
Delete Procedures	Display a dialog to select one or more procedures to be deleted. Note that required procedures will not be listed, as they cannot be deleted, and their sub-procedures not be deleted either. To delete required procedures, unselect the Required checkbox prior to deleting. In this dialog, the procedures deleted will be deleted from the document only, not from the content library. To also delete procedures from the content library, use Delete Procedure.
Delete Procedure - XXX	Delete the procedure that your cursor is currently on. You can specify whether the procedure is to be deleted from the document only, or from both the document and the content library. Procedures owned by other authors cannot be removed from the content library.
Delete Sub Procedure - XXX	Delete the sub procedure that your cursor is currently on. You can specify whether the procedure is to be deleted from the document only, or from both the document and the content library. Procedures owned by other authors cannot be removed from the content library.
Sort Groupings	Sort the order of the groupings. To use this menu item, the cursor must be on a grouping title.
Sort Sub Groupings	Sort the order of the sub groupings. To use this menu item, the cursor must be on a sub grouping title.
Sort Procedures	Sort the order of the procedures. To use this menu item, the cursor must be on a procedure.
Sort Sub Procedures	Sort the order of the sub procedures. To use this menu item, the cursor must be on a sub procedure.

Areas Menu

Item	Description
Risk Report	Insert/delete the risk report area. When included, the risk report information displays at the top of the work program. For more information on the risk report, see Risk Report.
Control Matrix	Add a Control Matrix table to checklists and work programs for quick access to the controls you are testing in the document.

Detailed Audit Response	Insert/delete the detailed audit response area. There are some optional layouts for this area included with the template and the firm can create/modify alternate layouts.
Insert List of Assertions	Insert/delete the financial statement assertion area. Note overall settings to display financial statement assertions are defined in firm settings.
Insert List of Objectives	Insert/delete the objectives area. Note overall settings to display financial statement assertions are defined in firm settings.
Edit Objectives	Edit the objectives area when the cursor is on the objectives area.
Edit Conclusion	Edit the conclusion area text.

Notes

- Objectives and assertions will only show if they are selected in **AO - General Options** document in the master template.
- Checklists only have the options **Risk Report** and **Edit Conclusion**.

Author Menu

Item	Description
Import Procedures	Import procedures from work program or checklist documents. Selecting this menu option opens the Import Procedure Dialog, in which users can specify the import source.
Insert New Procedure	Insert one or more procedures into the checklist. When you select Insert New Procedure, a dialog box appears that enables you to specify the number of procedures to insert. The New Procedure Dialog then appears, enabling you to specify the properties of the procedures. When you insert multiple procedures, they will be given the same name by default. An index number, such as (2), is provided to distinguish one procedure from another. To change the name of a procedure, type the new name in the field in the **Name** column. The inserted procedures are added below the procedure the cursor is on if they are in the same group/sub group. If the group is different or the cursor is not on a procedure, the procedure(s) will be added at the bottom of the group.
Delete Procedures From Content Library	Remove procedures from the Content Library in bulk.

Set Procedure Availability	Display a dialog box that enables you to specify the procedures that are to be made available. The unselected items will not be seen by users when they are trying to insert from the content library.
Manage Groupings	Groups enable the author to keep procedures of similar types together. Selecting the **Manage Groupings** menu item displays the Manage Grouping dialog box, in which you can add, rename or remove groups.
Manage Sub Groupings	Sub groups enable the author to further organize grouped procedures. Selecting the **Manage Sub Groupings** menu item displays the Manage Grouping dialog box, in which you can add, rename or remove sub groups.
Procedure Properties	Edit the properties for the procedure that the cursor is currently on. Properties include the name of the procedure, industry, grouping, sub grouping, version number, and the procedure on which the current procedure is based, if any.
Insert All Procedures	Inserts all procedures from the content library.
Insert All Author Procedures	Inserts all firm-authored procedures from the content library.
Author's Action Report	Displays the Author's Action Report in your web browser. This report summarizes all the procedure actions that you have defined. This menu item is visible only when deletion based on checklist responses is enabled in the Optimiser.
Reset Procedure Status	Clears the status indicators used in "Procedure Highlighting" on page 186. This is useful if the engagement team is creating a new client file based on the updated template and does not need to know what changes have been made to the template.

Options Menu

Item	Description
Content Library Path	Define the path of the location of the content library.
Display Completion Details	Display the completion details at the top of the document. Hiding the completion details does not keep them from being printed.
Display Document Guidance	Display detailed instructions on how to complete the document or authoritative guidance. The author can supply the desired instructions.
Display Headings	Display column headings at the top of the document.
Display Procedure Sign Off	Display the procedure signoff area.

Display Procedure Sign Off Below Procedures	Specify whether to display the procedure signoff area below the procedures or in a separate column.
Display Procedure Tags	Specify whether to display tags that have been added to procedures. This menu item appears only when procedure tagging has been enabled in the Optimiser.
Display Select Response Button	Display or hide the select response button.
Print Risk	Prints the risk report. This menu item appears only when the risk report is inserted at the top of the checklist.
Display Interactive Guidance	Display instructions that indicate the next step to take when working with this document. These instructions appear at the top of the document in a status bar located just below the function buttons. This menu item is enabled only if instructions exist for the current document status.
Print Authoritative Reference	Print authoritative references added by the author.
Print Firm Name in Footer	Prints the firm name in the footer, as defined in the firm settings, if the firm author has specified that the firm name is to be displayed.
Print Firm Logo in Footer	Prints the firm logo in the footer, as defined in the firm settings, if the firm author has specified that the firm logo is to be displayed.
Print Current Date/Time in Footer	Print the current date and time in the footer of each page of the document. The date and time format are as set in your Windows regional settings.
Print Client Path in Footer	Print the client path in the footer of each page of the document.
Highlight External Cells	Highlight all externally linked cells in the document. A report is opened in your web browser that displays each externally linked cell, along with the group, form, and ID of the CaseView database entry to which the cell is linked. This enables the firm author to easily track values that are written to the database and retained on an update or year-end close.
Import External Data	Imports external data from another file. A browse window will appear to select an applicable .ac file. **Notes** • The versions of both current and target client files should be the same. • If the external data client file is locked, a dialog will appear prompting to unlock the file before proceeding with the import.

Reapply Styles	Change the document fonts to the character set in use on your computer. This makes it possible to type information in both English and one other language that uses non-Western characters.
Risk Report View	Specify the type of mini risk report to be displayed at the top of the checklist. Select **Risks Identified** to list all risks that have been identified in the checklist, or select **Risks Addressed** to list Entity level risks and risks addressed in the checklist.

4 GENERAL OPTIONS

4.1 Introduction

The Audit template provides functionality to allow firms to include their own customized work program and checklist content and to manage the firm's desired responses, roll forward options, and update processes. The Firm Author works within the Firm Information and General Options documents prior to release of the Audit template to their engagement teams.

In this section, we will examine how the firm can:

- Complete firm information and attach a firm logo to all work programs and checklists.

- Define the properties and options for the firm that controls how engagement teams view, complete and update their engagement work programs and checklists.

To access the General Options document:

1. Open the Master File template.

2. From the Document Manager, open the **AO - General options** document located within the **Control Documents** folder.

4.2 General Options

The **AO - General options** document is used to define and customize the structure and properties of the work programs and checklists and to manage the firm's default settings for many of the automated features. The firm settings are applied globally and, for the most part, cannot be changed at the engagement file level. The general options document consists of ten different sections that need to be completed prior to distributing the master template file to the engagement team. These areas include the following:

4.2.1 Engagement Profile

Engagement profiles allow Firm Authors to define unique profiles for different types of engagements, whether it is for different industries or for different assurance levels. When engagement profiles are enabled, each profile determines the documents to be included for the engagement, and can also set global settings for risk options, control options, reportable items options, and other settings in the **AO - General options** document.

When a new client file is created based on the master template, the engagement team selects a profile from the list of engagement profiles that have been made available. Each engagement profile is designed to provide the engagement team with the necessary documents to start an engagement. As the use of any document is a matter of professional judgment, the engagement team can subsequently add any additional documents from the master template.

For more information, see "Specifying and Creating an Engagement Profile" on page 25.

4.2.2 All Forms

All Forms section contains setting that affects what is displayed in the documents such as sign offs and form footers.

For more information, see "Defining Setting for Forms " on page 30

4.2.3 Materiality

Materiality section contains settings that affect what is displayed in the Materiality documents.

For more information, see "Setting the Display Settings for Materiality " on page 30

4.2.4 Work Programs and Checklists

4.2.4.1 Industry

You have the option of selecting the industry codes that are appropriate for your market. Five of the most common classifications are listed in the drop-down list. The selection made here specifies the industry classifications listed in the work program and checklist documents.

4.2.4.2 Rollfoward

A firm can define whether Note rows, Completion responses (including any explanations), References and Conclusions are to be cleared or retained during the year-end close roll forward process. Any information marked to be retained will automatically appear in the following year's work program or checklist. **Note:** The rollfoward options set here only relate to work programs and checklist. Unless otherwise noted, all other documents in the file are cleared when rolled forward to the subsequent period.

4.2.4.3 Check for Updates

You can select the process that the engagement team will use to update the client file with procedure and document properties updates for work programs and checklists. This update process is initiated in each work program or checklist in the engagement file.

The engagement team can also automatically update procedures in all work programs and checklists from the Document Version Report. The firm can choose whether procedures that are not marked as **Required** are to be automatically updated or manually updated. If a procedure that is to be updated has been customized, the engagement team can decide, on a procedure by procedure basis, whether to update the procedure or retain the existing customizations. If procedures are automatically updated, the firm can also specify whether to automatically add new procedures from the content library or allow the engagement team to add new procedures as needed. Procedures marked as **Required** are always automatically updated.

For more information, see "Specifying Settings for Work Programs and Checklists" on page 31

4.2.5 Work Programs

4.2.5.1 Areas

This section allows the firm author to define the areas and columns available within work program document, specify area headings and their names and abbreviations including entity level risks and assertions for the work program.

4.2.5.2 Completion Responses

This section allows the firm author to select between Audit built-in typical completion responses to work program steps or create your own.

4.2.5.3 Procedure Allocation

Enabling Procedure allocation provides the ability to assign procedures in a work program or checklist document to specific users and allows only those users to complete their assigned procedures. This capability is useful if a checklist or work program is to be completed by multiple members of the team. In addition, if responses to procedures could

potentially contain sensitive information, the procedures can be marked as Sensitive and their responses hidden from other members of the team.

From the master template, the firm author has the option to provide guidance by assigning procedures to a recommended security group, and in the engagement file, procedures can be assigned to specific users within the group recommended by the firm or to any other member of the engagement team.

For more information, see "Defining Standards for Work Programs " on page 34

4.2.6 Optimiser

Optimiser assists engagement teams in building a more effective engagement by removing unnecessary documents, risk and controls that are not applicable for the client and work program and checklist procedures that are not applicable and do not meet the assessed level for the financial statement are.

For more information, see "Configuring the Optimiser" on page 40

4.2.7 Risk

Risk options allow the author to define various attributes of risk. When accumulating risks in client files engagement teams access a risk dialog that will display the attributes of a risk as defined by the firm author. The risk attributes are then compiled for display in various risk reports.

For more information, see "Defining Risk Options" on page 43

4.2.8 Control

The controls options allow the author to define various attributes of controls. When accumulating controls in client files, engagement teams access a control dialog that will display the attributes of a control as defined by the firm author. The control attributes are then compiled for display in various control reports.

For more information, see "Defining Controls Options" on page 43

4.2.9 Reportable Items

The reportable items options allow the author to define various attributes of reportable items. When creating reportable items for client files, engagement teams access a reportable item dialog that displays the attributes of a reportable item as defined by the firm author. The reportable item attributes are then compiled for display in management letters and the Management Letter Report.

For more information, see "Defining Reportable Items" on page 45

4.2.10 Financial Statement Areas Worksheet

This section allows the firm author to customize and configure what is to display in the Financial Statement Areas worksheet.

For more information, see "Defining the Settings for Financial Statement Areas Worksheet" on page 45

When you change a setting in the **AO - General options** document, you must change the document version to ensure that the changed setting is updated in client files.

4.3 Specifying and Creating an Engagement Profile

As the Firm Author, you can specify whether engagement profiles are to be enabled for client files, and what settings they are to contain.

Procedure

1. In the **AO - General options** document, specify the settings, select **Engagement Profiles**.

2. From the **Engagement profile setup** drop-down, select one of the following options:

Option	Description
Documents and global settings	Engagement profiles can be used to remove documents from the Document Manager and automatically launch documents when a new client file is created based on the master template. In addition, the new client file uses the global settings saved with the profile to configure the firm options, including risk options, control options, reportable item options, and other settings defined in the **AO - General Options** document.
Documents only	Engagement profiles can be used to remove documents from the Document Manager and automatically launch documents when a new client file is created based on the master template. This is the default option. **Note:** Any global settings associated with the profile are not used in the new client file. Instead, the global settings defined in the **AO - General Options** document of the master template, at the time the client file is created, are copied.
No engagement profiles	Disable the use of engagement profiles in the template and client files generated from this template.

3. In the Engagement Profiles pane, scroll down to the first empty engagement profile definition.

4. In the **Profile** field, in the first text field, type the name of the engagement profile.

5. In the **Description** field, type a description of the engagement profile.

6. Click ![tag icon] to display a list of document tags that you can associate with your profile. If a tag is included in the Assigned pane of the Tags dialog, documents marked in the Document Manager with this tag will be included in the client file when this engagement profile is selected.

If no tags are included in the **Assigned** pane, no documents will be deleted from the client file if it is created using this engagement profile.

7. To assign a tag to the engagement profile, in the **Unassigned** pane, click the **+** icon at the left of the tag. This moves the tag from the **Unassigned** pane to the **Assigned** pane.
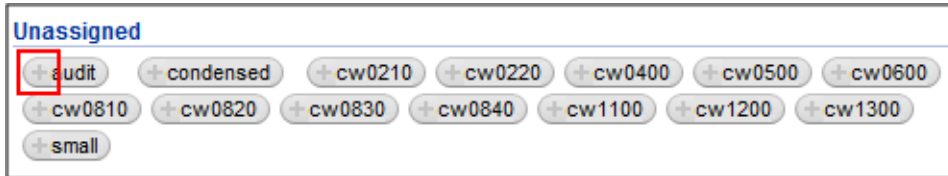
8. To create a new tag for the engagement profile, in the Assign Tags pane, type the new tag name in the text field, and click +. The new tag is added to the Assigned pane.

9. Repeat steps 6 through 7 if you want to assign more tags to this engagement profile. A document is included in any client file created from this profile if it is tagged in the Document Manager with any of the tags you have assigned.

10. To unassign a tag that you have previously assigned, in the Assigned pane, click the **X** icon at the right of the tag. This moves the tag back to the Unassigned pane.
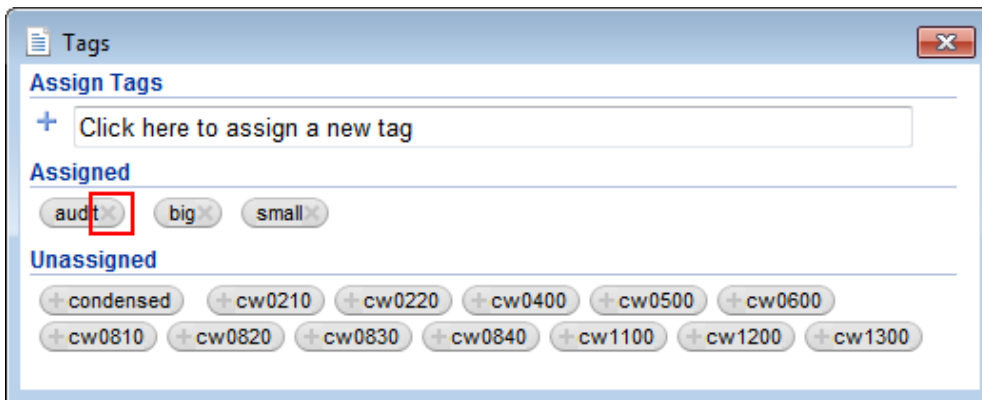
11. Close the Tags dialog when tagging is complete.

12. Select the **Available** check box if this engagement profile is to be made available to client files that are created from this template. To view the Engagement Profile dialog that displays after the client file is created, click **Preview**.

13. Select the **Pre-selected** radio button if this engagement profile is to be the default profile for client files created from this template.

14. If you want to select documents to be opened when a client file created from this engagement profile is opened, in the **Start Document** column, click ⋯. In the Document Manager window that appears, expand folders as necessary and select the documents or folders to be opened. If you select a folder, all the documents and sub-folders in that folder are selected. Click **OK** when you have selected all the documents to be opened.

15. If you have provided a more detailed explanation of an engagement profile in an external web site, in the **Extended Explanation** field, type the URL for this web site.

16. Click 💾 to save the profile. All document tags are saved. If engagement profiles have been configured to use global settings, the settings in the **AO - General Options** document are also saved in the profile.

17. To view the engagement profile options that will be available to the engagement team when a new file is created, click **Preview**. A sample Engagement Profile dialog appears. The text that

you specified in steps 3 and 4 is displayed, along with all other previously defined engagement profiles, including the default profiles provided with the template. If you specified a web site in step 14, a link to this site is displayed. Close this dialog when you have finished viewing it.

18. Click ![icon] to load a previously defined profile. All document tags and global settings saved in this profile are loaded into your template.

19. Your master template may include several predefined engagement profiles which have the Owner property set to Distributor. You can edit these profiles to create a Firm profile, but there are also spaces to create your own. To reset a profile back to its original settings, click **Default**.

4.4 Engagement Profiles

Engagement profiles allow authors to define unique profiles for different types of engagements. Profiles include documents and global settings and will be specified upon creation of new client files.

Engagement profile setup: Documents and global settings   [▾]
Last loaded profile:
Owner:
Check the preview of engagement profile dialog: [Preview]

Profile	Description			
☑ ○ Minimal	"Minimal" profile includes automatic documents and work programs. The default documentation included is not ISA compliant.	![save]	![load]	![reset]

Extended Explanation URL   documentation.caseware.com/2014/Audit/16_00/en/Audit.htm#cshid
Documents   ![tag] cwpr01,optmin
Start Document   [...] "400-3."
Launch dashboard   ☑

Section	Instructions
Engagement Profile	**Engagement Profile Setup** Select to enable the engagement profiles feature and determine its behavior when the template author creates profiles and when the user creates a new client file based on the master template. The following options are available: • Documents and global settings - Profile definitions include documents and global settings. • Documents only - Profile definitions include documents. Global settings will be identical for all profiles as defined in the template. • No engagement profiles - Profiles are disabled. Global settings and documents will be identical for all profiles as defined in the template. **Last Loaded Profile** Indicates the current engagement profile used in the master template when any of the Save, Load or Default buttons are selected. **Owner** Indicates whether the Last loaded profile is a **Firm** created engagement profile or a predefined **Distributor** engagement profile. **Note:** Modifying a predefined Distributor profile changes it to a Firm profile. **Check the preview of engagement profile dialog** Click **Preview** to review the list of available profiles in the Engagement Profile dialog. This dialog displays when a new client file is created based on the master template.
Profile	Indicates the current engagement profile used in the master template when any of the Save, Load or Default buttons are selected. **Owner** Indicates whether the Last loaded profile is a **Firm** created engagement profile or a predefined **Distributor** engagement profile. **Note:** Modifying a predefined Distributor profile changes it to a Firm profile. **Check the preview of engagement profile dialog** Click **Preview** to review the list of available profiles in the Engagement Profile dialog. This dialog displays when a new client file is created based on the master template.
Description	Enter a long description of the profile in the second text input field.

Section	Instructions
Other Engagement Settings	**Extended Explanation URL** Enter a URL to an external web site, to provide a more detailed explanation of the engagement profile. **Documents** Click to display a list of document tags that you can associate with your profile. Documents with this tag in the Document Manager will be included in the client file when a new client file is created based on the master template. If no tags are associated with the profile, no documents will be deleted from the client file if it is created using this engagement profile. **Start Document** Click to display a list of documents from the document manager. Select the document(s) to automatically launch when a new client file is created based on the master template. **Launch Dashboard** Select to launch the dashboard when opening a file under this profile.
Save, Load and Default	**Save** Click to save to the profile, all the global settings from the **AO - General options** document and all the engagement profile settings. **Note:** With the **Engagement profile setup** option set to **Document Only**, the global settings will still save to the profile. **Load** Click to load the profile settings into the master template. **Note:** With the **Engagement profile setup** option set to **Document Only**, the global settings in the **AO - General options** document will not be overwritten in the master template. **Default button** Click to reset the Firm profile back to the original Distributor profile. The Firm created profile will be lo

4.5 Defining Setting for Forms

General options

Engagement Profiles
All Forms
Materiality
Work Programs and Checklists
Work Programs
Optimiser
Risks
Controls
Reportable Items
Financial Statement Areas Worksheet
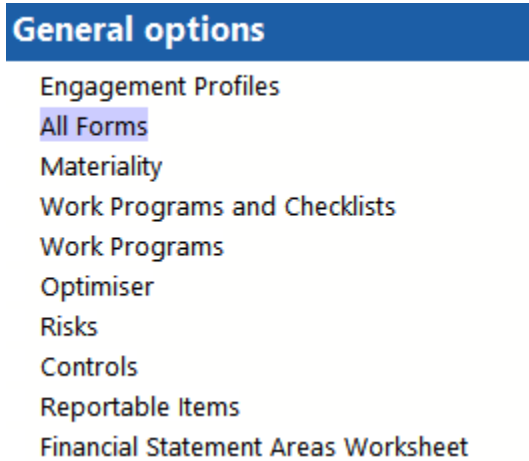
You can specify that the sign-off boxes are to appear on the first page of the form only.

Procedure

1. In the **AO - General options** document, select **All Forms**.

2. Select the **On First page only** check box to specify that the sign-off boxes are to appear on the first page only or clear the check box to have the sign of boxes display at the top of each page.

3. In the **Form Identification** section, type the footer that will appear on all documents. The information entered in the three-description field is joined together to make a single footer. This footer can also be modified in the document properties for each document.

4.6 Setting the Display Settings for Materiality

General options

Engagement Profiles
All Forms
Materiality
Work Programs and Checklists
Work Programs
Optimiser
Risks
Controls
Reportable Items
Financial Statement Areas Worksheet
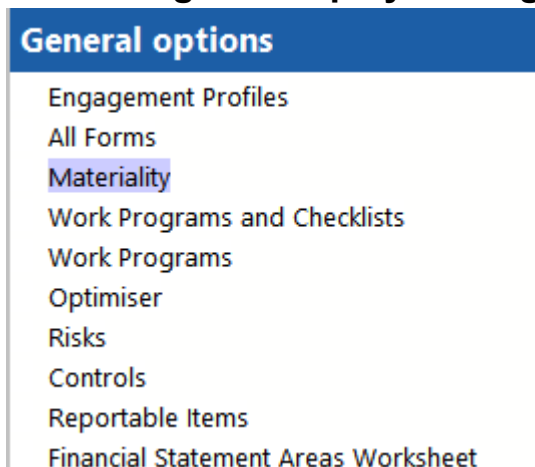
As the Firm Author, you can set the materiality terminology used in the file. You can also specify whether the preliminary and final materiality values are to be displayed at the top of each form in client files generated from your template. You can also set the file to calculate performance materiality based on a specified percentage.

Procedure

1. In the **AO - General options** document, select **Materiality**.

2. Replace the terms if you require in the text fields for Overall, Performance, and Adjusted materiality.

3. Select the **Preliminary Materiality** check box to display preliminary materiality values at the top of each form. Clear the check box to hide them.

4. Select the **Final Materiality** check box to display final materiality values at the top of each form. Clear the check box to hide them.

5. Select the **Adjusted Materiality** check box to display adjusted materiality values at the top of each form. Clear the checkbox to hide them.

6. Select the final check box to calculate performance materiality based on a preset percentage. Once you select this check box you can specify the description and the percentage to use for the calculation.

4.7 Specifying Settings for Work Programs and Checklists

Procedure

1. In the **AO - General options** document, select **Work Programs and Checklists** to collapse the available options for Work Program and Checklist.

2. Select **Industry** and from the drop-down select an industry classification system to be used in the work program and checklist documents. Once completed, select the check when completed checkbox.

3. Select **Roll Forward** and in the **Work Programs** and **Checklists** section, for each area listed, select the **Retain** radio button if you want to retain this work program area during the year-end close roll forward process, or select the **Clear** radio button if you do not want to retain this work program area. Once completed, select the check when completed checkbox.

4. In the **Check for Updates** section, select an applicable radio button option. For more information, see "Check for Updates" on page 32. Once completed, select the check when completed checkbox.

Results

The industry classification code listing, the areas that are to be cleared or retrained during the year end close and update settings are now set for work programs and checklists.

4.8 Check for Updates

The following options are available in the **Check For Updates** section of the **AO - General options** document:

Option	Description
User selects individual procedures to update in each document.	• All procedures marked as "Required" are automatically updated in each engagement. • No other procedures are automatically updated, or new procedures added. Users can update procedures in a document in two ways: 　　• As part of the client file update process, click **Update** in the Procedures dialog. This updates all procedures in any document in which updates have not been set to be ignored. 　　• Open the document and select **Check for Updates** from the **Document** menu. This enables the user to update procedures on a procedure-by-procedure basis based on the status of the procedure. • Document properties are updated when **Check for Updates** is performed.
All existing procedures are updated. New procedures are stored in the library.	• All procedures marked as "Required" are automatically updated in each engagement. • Automatically updates all existing procedures in an engagement file if they have not been modified at the engagement level. • Procedures that have been customized at the engagement level have an option to update or retain on a procedure-by-procedure basis. • New procedures remain in the content library and must be added to the engagement as needed. • Document properties are automatically updated.

Option	Description
All existing procedures are updated. New procedures are added to the document.	- All procedures marked as "Required" are automatically updated in each engagement. - Automatically updates all existing procedures in an engagement file if they have not been modified at the engagement level. - Procedures that have been customized at the engagement level have an option to update or retain on a procedure-by-procedure basis. - New procedures are automatically added to each work program or checklist and must be deleted in the engagement as needed. - Document properties are automatically updated.

4.9 Defining Standards for Work Programs

Procedure

1. In the **AO - General options** document, select **Work Programs** to collapse the available options for work program areas.

2. Click **Areas** and fill in the applicable options.

Audit response table (ART)
Enable ART in work programs: ☑

Columns to display
Show assertion column: ☑
Show objective column: ☑
Date completed column: ☑

Conclusion
Display accountant's electronic signature: ☐

Titles
Assertions title long form: Financial Statement Assertions
Objectives title long form: Other
Objectives
Objectives title short form: Obj
Conclusions title: Other
AUDIT CONCLUSIONS (based on professional judgement)

Number of assertions: 4 - four assertions

Terminology	Firm Standard		Abbr.	
Pervasive risks				
Pervasive	Pervasive		P	
Assertions				
Completeness	Completeness		C	
Existence	Existence		E	
Accuracy	Accuracy		A	
Valuation	Valuation		V	

Section	Instructions
Audit Response Table (ART)	**Enable ART in work programs** Select to display detailed audit responses in the work programs.

Section	Instructions
Columns to Display	**Show assertion column** Select to display the Assertions area and columns in work program documents. When selected, the Assertions area is available to appear as a separate table at the top of each work program. A separate column automatically appears in the work program for association with an individual procedure. **Show objective column** Select to display the Assertions area and columns in work program documents. When selected, the Assertions area is available to appear as a separate table at the top of each work program. A separate column automatically appears in the work program for association with an individual procedure. **Date completed column** Select to include the completion date in work programs.
Conclusion	**Display accountant's electronic signature** Select to include signature in the conclusion area. When selected, an option appears in the work programs to use an electronic signature. **Note:** There is no security to control the use of the electronic signature image.

Section	Instructions
Titles	**Assertions title long form** Type the title for the Assertions column header. This field displays when creating your own long form. **Assertions title short form** Select the Assertions title from a list of available options or create your own. The default short form used in the column header is Assert. **Objectives title long form** Type the title for the Objectives column header. This field displays when creating your own long form. **Objectives title short form** Select the Objectives title from a list of available options or create your own. The default short form used in the column header is Obj. **Conclusions title in work program** Select the Conclusion title from a list of available options or create your own. **Number of Assertions** Select up to 6 built-in Audit assertions and add up to 9 custom assertions in the work programs. Default is four assertions. If you select more than five assertions, fields will appear in the table that will enable you to specify the additional assertion names and abbreviations. You can also modify the name and abbreviation for any pre-defined assertion.

3. Click **Completion Responses** and fill in the applicable fields. A maximum of ten standard responses can be defined by the firm. To add a custom response, select **Other**. Once completed, select the **Check when completed** checkbox.

Document sign offs

Sign off an incomplete document:	Yes	-

Issues

Default issue type:	Review notes	-
Default issue due date:	14 days after creation	-

Responses

Number of responses:	8 - eight responses	-

	Firm Standard		💬	✳️	📝	🏃	📋
1.	Completed, no exceptions	-	☐	☐	☑	☐	☐
2.	Completed with exceptions noted below	-	☑	☑	☐	☐	☑
3.	Not possible to complete	-	☑	☐	☑	☐	☐
4.	Yes	-	☑	☐	☑	☐	☐
5.	No	-	☑	☐	☑	☐	☐
6.	N/A	-	☑	☐	☑	☑	☐
7.	Completed, no exceptions	-	☑	☐	☑	☐	☐
8.	Other	-	☐	☐	☑	☐	☐

Section	Description
Document Sign-offs	**Sign off an incomplete document** • Select **Yes** to allow users to sign off a work program or checklist that is incomplete. • Select **No** to only allow users to sign off a work program when all procedures and conclusions are complete.
Issues	**Default issue type** Select from Audit built-in issue types which include: review notes, team planning discussion action steps, notes on significant audit procedures, and audit findings and matters for discussion. **Default issue due date** Select from 7, 14, or 28 days after creation to apply as the due date.

Section	Description
Responses	**Number of Responses** Select the desired number of completion responses. A maximum of 10 responses can be applied. **Firm Standard Table** Select from Audit built-in responses which include: • Completion, no exceptions • Completed with exceptions noted below • Not possible to complete • Yes • No • N/A • User Defined • Other **Note:** If your choice is not available, select **Other** and enter your own customized response. Each response provided for a work program step can have any of the following attributes added for it:

Attribute	Icon	Description
Explanation	💬	Users can enter an explanation, but it is not mandatory in order to sign off the procedure. If selected, an explanation field will appear when this response is selected.
Explanation is required	💬	An explanation must be provided by the user before the procedure can be signed off as completed. Note that the **Explanation** attribute should also be checked when this attribute is selected.
Automatically sign off procedure	☑	A procedure will automatically be signed off as completed. Note that this selection cannot be used if the **Explanation is required** attribute is also selected.
Response can be automatically selected	✎	This attribute will autofill the response type to the associated procedure. This attribute will assign the same response type to multiple sub-procedures within a procedure or multiple procedures in a group/sub-group. For example, if selected at a sub procedure level, all sub procedures are completed with the same response. If selected at a title level, all procedures below that title are completed with the same response.
Response requires a new issue	📝	This attribute requires the user to create a new issue for the procedure. These issues flow through to the Partner and Manager Summary document.

Notes:

- Attaching a Response requires a new issue attribute to a completion response then defining the Default issue type and Default issue due date in the drop-downs will complete these fields in the issue in the client file.

- These options apply only to work program responses.

- If a firm creates a checklist to follow the work program response area, it will also follow these options.

- Hovering over response type icons provide a tooltip with an explanation of the response type function.

- Completion Responses are retained when updating a procedure.

4. Click **Procedure Allocation** and if applicable enable procedure allocation. From the Assigner and Reviewer drop-down, select the Working Papers group that you want to grant the privileges. Once completed, select the **Check when completed** checkbox.

Procedure allocation, which is specified in the **AO - General options** document, enables the ability to assign procedures in a work program or checklist document to specific users, and allows only those users to complete their assigned procedures. This capability is useful if a checklist or work program is to be completed by multiple members of the team. In addition, if responses to procedures could potentially contain sensitive information, the procedures can be marked as Sensitive and their responses hidden from other members of the team.

From the master template, the firm author has the option to provide guidance by assigning procedures to a recommended security group, and in the engagement file, procedures can be assigned to specific users within the group recommended by the firm or to any other member of the engagement team.

To use procedure allocation, the Working Papers protection feature must be turned on, with users and groups defined. The firm author then assigns each of the following privileges to a defined security group:

Assigners can:

- assign or reallocate work program and checklist procedures to members of the engagement team

- complete procedures assigned to any team member

- mark procedures as Sensitive

- view all responses to procedures marked as Sensitive

- specify procedure allocation options in the AO - General Options document

Reviewers can:

- complete procedures assigned to any team member

- mark procedures as Sensitive

- view all responses to procedures marked as Sensitive

Assignees can:

- complete procedures assigned to them

- view only those responses to procedures marked as Sensitive that are assigned to them

Note:

- Since members of the Assigner group have all the privileges of the Reviewer group plus the ability to assign procedures to users, the Assigner group is usually not the same as the Reviewer group.

- Within the engagement file the Assigner can determine whether unassigned procedures can still be completed by **Anyone** or **No one**.

4.10 Optimiser

Optimiser assists engagement teams in building a more effective engagement by removing:

4.10.1 Unnecessary documents

4.10.2 Risks and controls that are not applicable for the client

4.10.3 Work program and checklist procedures that are not applicable or do not meet the assessed level of risk for the financial statement area

The **Optimiser** must be configured by Firm Authors prior to release.

3.10.1 Configuring the Optimiser

Procedure

1. In the **AO - General options** document, in the **General options** pane, select **Optimiser**.

2. Select or clear the checkboxes as needed.

Optimiser

Check when completed: ☐

Optimiser assists engagement teams in building a more effective audit by defining documents to delete, apply predefined risks and control conditions and modify procedures based on specified criteria. Once components are activated firms can configure the various documents.

Financial statement areas worksheet (FSA)

Delete documents based on materiality in the FSA: ☑

Delete procedures based on risk thresholds in the FSA: ☑

Delete procedures based on audit responses in the FSA: ☐

Optimiser Checklist

Delete documents based on checklist responses: ☑

Delete procedures based on checklist responses: ☑

Delete risks based on checklist responses: ☐

Other

Insert procedures linked to a risk: ☑

Delete industry specific documents: ☐

Delete unassociated controls: ☐

The Optimiser feature enables the Engagement team to enhance or customize the template program by removing:

- Unnecessary documents,
- Risks that are not applicable for the client,
- Work program procedures that do not meet the assessed level of risk for the financial statement area, and
- Procedures from checklists or work programs based on checklist responses.

The table below lists the capabilities that you, as the Firm Author, can include in the Optimiser. Each option can be selected or unselected as needed.

Optimiser options:

Option	Description
Financial statement areas worksheet (FSA)	
Delete documents based on materiality in the FSA	This option deletes documents if the financial statement area is not material (as determined in the materiality assessment) in the FSA worksheet. Only documents associated in the Working Papers reference (W/P ref. column) are affected. Optimiser includes all documents suggested for deletion in the Audit Optimiser Confirmation Report.

Option	Description
Delete procedures based on risk thresholds in the FSA	This option deletes procedures if the assigned risk threshold is higher than the determined risk for the financial statement area in the FSA worksheet. When selecting this option, procedures are also deleted if their assertions are not included in the list defined in the FSA worksheet. Documents must be associated to the financial statement area in the W/P ref. column of the FSA worksheet.
Delete procedures based on audit responses in the FSA	This option deletes groups of procedures by assertion based on the audit response. Rather than manually deleting individual procedures, use this option to automate the process.
Optimiser Checklist	
Delete documents based on checklist responses	This option deletes documents by document tags based on the checklist response. You must enable document deletion in procedure actions and then proceed to define an action for deleting documents with or without specific tags. The action is triggered when your checklist response matches the recommended action.
Delete procedures based on checklist responses	This option deletes procedures by procedure tags based on the checklist response. You must enable procedure tagging in documents and procedure deletion in procedure actions, and then proceed to define an action for deleting procedures with or without specific procedure tags. The action is triggered when your checklist response matches the recommended action.
Delete risks based on checklist responses	This option deletes risks and controls in the master template based on the checklist response. You must enable risk and control deletion in procedure actions, and then proceed to define an action for deleting specific risk and controls in the master template. This action is triggered when your checklist response matches the recommended action.
Other	
Insert procedures linked to a risk	This option inserts procedures into documents based on risk. You must link the procedure to a risk. This action is triggered when you open a document linked to that risk (the procedure is then automatically inserted) **Note:** This option is only available when **Risks** is enabled in **AO | General Options.**
Delete industry specific documents	This option deletes all documents that are not related to the industries specified in the client file.
Delete unassociated controls	This option deletes all controls that are not associated with any of the defined risks

Note: When procedure actions are defined in a checklist, the 🖊 icon displays at the top left of the document and Optimiser will not delete any tagged procedures.

4.11 Defining Risk Options

General options

Engagement Profiles
All Forms
Materiality
Work Programs and Checklists
Work Programs
Optimiser
Risks
Controls
Reportable Items
Financial Statement Areas Worksheet

Procedure

1. In the **AO - General options** document, select **Risks**.

2. To enable risks, select the **Enable Risks** check box. To disable risks, clear this check box.

    Note: If risks are disabled, controls are also disabled.

3. If risks are enabled, click the **General Risk Options** button. Select or clear to add the available properties to the risk dialog. For more information on the risk options, see "Risk Dialog" on page 130.

4. (Optional) For fields that have a list box to the right, you can modify the scoring terminology by selecting an applicable one from the list. **Note:** Selecting a numeric scoring for Likelihood to occur and Monetary Impact will result in an automatic calculated Combined Score.

5. (Optional) For **Significant Risk indicators** and **Entity level Categories** fields, click the **+** or **-** field to add or delete indicators or categories from the risk dialog. You can add up to 10 significant risk indicators.

6. Click **OK** to register changes.

4.12 Defining Controls Options

With controls enabled, the General Control Options allow the firm author to define various attributes of controls for the control dialog and various documents that show controls. The control dialog allows the firm author or engagement team to identify and accumulate controls in the master template or client files, respectively. These options are defined once and are applied globally.

For more information on Controls, see Chapter 5 - Risks, Controls and Reportable Items.

General options

Engagement Profiles
All Forms
Materiality
Work Programs and Checklists
Work Programs
Optimiser
Risks
Controls
Reportable Items
Financial Statement Areas Worksheet

Procedure

7. In the **AO - General options** document, select **Controls**.

8. To enable controls, select the **Enable Controls** check box. To disable controls, unselect this check box.

   Note: If risks are disabled, controls are also disabled, and this check box cannot be selected.

9. If controls are enabled, click **General Control Options** button. Select or clear to add the available properties to the risk dialog. For more information on the control options, see "Controls Dialog" on page 142.

10. (Optional) For the following fields, you can enter your own list in the input box to its right:

    - Maturity Level

    - Manual/Automated

    - Frequency of Control

    - Changed since Previous Evaluation

You can also separate list items by using a comma. For example: Manual, Automated, Both.

11. When the changes are completed, click **OK**.

3.12 Defining Reportable Items
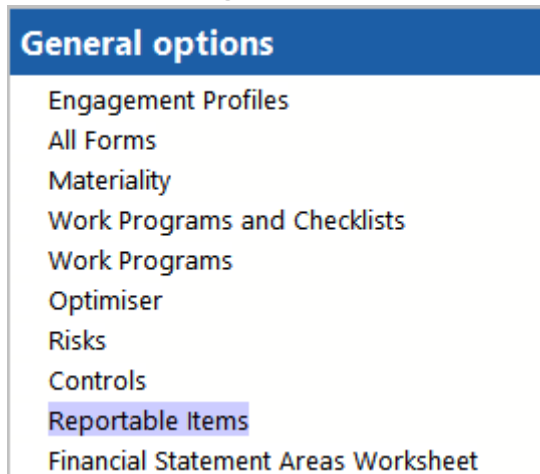
Procedure

1. In the **AO - General options** document, select **Reportable Items**.

2. Select the **Enable Controls** check box to enable reportable items. To disable reportable items, clear this check box.

3. Click the **Reportable Items Options** button. Select or clear to add the available properties to the reportable item dialog. For more information on the reportable item options, see "New Reportable Item Dialog" on page 149.

4. (Optional) For **Ratings** and **Statuses** and **Classifications** fields, click the **+** or **-** field to add or delete indicators or categories from the risk dialog.

5. Click **OK** to save the changes.

4.13 Defining the Settings for Financial Statement Areas Worksheet

The FSA Worksheet provides an input area where the engagement team can document other considerations that may impact significant accounts, financial disclosures and sensitive areas. As the Firm Author, you can determine whether this column displays or not. You can also specify the name of the column.

Procedures

6. In the **AO - General options** document, click **Financial Statement Areas Worksheet**.

7. Fill in the applicable fields and options:

Financial statement areas worksheet settings (FSA)
Terminology and scoring for four risk columns to include in the FSA report are customizable by defining attributes below.

Row - Entity level and IT general weaknesses and controls
Terminology: Entity level and IT general weaknesses and controls
Risk assessment at entity level: ☑

Materiality Warning Indicators
Show materiality related warning indicators: ☑

Additional Column
Include column: ☐
Terminology: Other control processes (that impact account/disclosure)

Risk Columns
Terminology and scoring for four risk columns to include in the FSA report are customizable by defining attributes below.

Risk	Terminology	Scoring System	Include	Include Warning
Risk Type 1	Inherent Risk	▾ High/Medium/Low	▾ ☐	▾ ▾ ✎
Risk Type 2	Control Risk	▾ High/Medium/Low	▾	
Risk Type 3	Residual Risk	▾ High/Medium/Low	▾ ☐	
Risk Type 4	RMM	▾ High/Medium/Low	▾	
Summarize	Summarize the reasoning for the assessed level of risk	▾ ☑		

Choose to automatically suggest a risk assessment level for assertions in the FSA report. Suggestions will be based on the risks and controls in the engagement:

Automate the assessment of Inherent Risk   ☑
Default assessment if no risks associated with an assertion   Med   ▾
Automate the assessment of Control Risk   ☑
Automate the assessment of RMM and Audit Responses   ☑ ✎
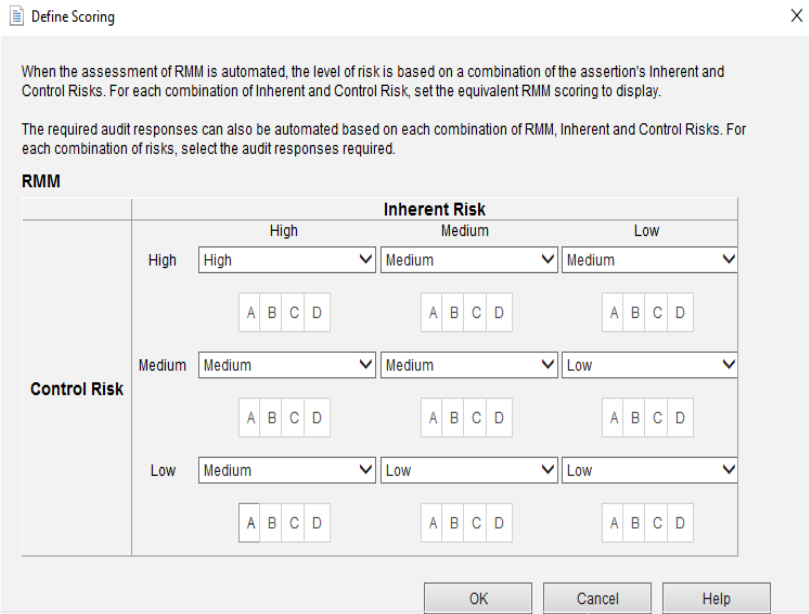
Audit Response Columns
The firm has the option to have audit response columns display in the FSA report or to appear at the top of each work program and checklist. The terminology and response type can be customised for the audit responses to be included in FSA report by defining the attributes below.

Include Audit Response In FSA   ☑

Audit Response	Terminology	Abbr.	Audit Response Type	Include	Sign Risk	Other than Substantive
Basic Procedures	Other ▾ A. Substantive procedures - bas	A ▾	Checkbox	▾ ☑ ✎	☐ ✎	☐ ✎
Extended/ Other Substantive	Other ▾ B. Substantive procedures - exte	B ▾	Checkbox	▾ ☑ ✎	☐ ✎	☐ ✎
Test of Controls	Other ▾ C. Substantive analytical proced	C ▾	Checkbox	▾ ☑ ✎	☑ ✎	☐ ✎
Sampling	Other ▾ D. Tests of controls (operating	D ▾	Checkbox	▾ ☑ ✎	☑ ✎	☑ ✎
AR Field 5			Checkbox	▾ ☐ ✎	☐ ✎	☐ ✎
AR Field 6			Checkbox	▾ ☐ ✎	☐ ✎	☐ ✎
AR Field 7			Checkbox	▾ ☐ ✎	☐ ✎	☐ ✎
AR Field 8	Audit Response Finalisation		Input	▾ ☑		
Initial	Risk assessment completed			▾ ☑		

Fields/Options	What to do...
Row - Entity level and IT general weaknesses and controls	**Terminology** Type a new entity level row title in the **Terminology** text field. **Risk assessment at entity level** New! Select the Risk assessment at entity level to automate RMM on an entity level. **Notes** • If the **Inherent** and **Control** risk columns are included, the proposed RMM value of the **Entity level and IT general weaknesses and controls** row is based on the **Defined RMM Scoring** dialog • If the Inherent and Controls columns are included, the proposed RMM value of the **Entity level and IT general weaknesses and controls** row is the highest RMM score assigned to an entity level risk
Materiality Warning Indicators	**Note:** The **Include Audit Response in FSA** option needs to be enabled for indicators to display. Select the **Show warning indicators when Final materiality and Overall materiality are different** check box if the warning indicators are to be displayed or clear this check box if they are to be hidden. The default is to display the indicators.
Additional Column	Select the **Include column** checkbox to provide an input area where the engagement team can document other considerations that may impact significant accounts, financial disclosures and sensitive areas. Click the **Terminology** field and type the name of the column if you want to change the name.
Risk Columns	**Terminology** Select the default risk type or modify the risk terminology by selecting **Other** from the drop-down menu. **Scoring** Choose the appropriate scoring using the drop-down menus. **Include** Select to include the risk type in the FSA. **Note:** To have the assessed risk populate in the work programs rather than populating the RMM in the FSA, ensure that the **Include** checkbox for **Risk 4 - RMM** is cleared.

Fields/Options	What to do...

Automate Risks Assessment	**Automate Risks Assessment**
	
	Select to automatically suggest a risk assessment level for assertions to populate in the **Financial Statement Areas report**. The suggestions will be based off the risk and controls in the engagement
	
	Automate the assessment of Inherent Risk
	
	Select to populate inherent risk from the "Risk Dialog" on page 130 to the FSA. It accumulates the sum of all the assertions for each risk assigned to a specific FSA area and takes the highest value per FSA and assertion.
	
	Default assessment if no risks associated with an assertion
	
	Select the inherent risk assessment that will be assigned when an automated assessment can't be determined. You can choose from the scoring for inherent risks defined in the scoring system column.
	
	Automate the assessment of Control Risk
	
	Select to populate control risk based on the auditor's conclusion from the control matrix.
	
	Automate the assessment of RMM
	
	Select to populate the RMM based on the scoring defined in the **Define RMM Scoring** dialog. Click ✎ to open the Define RMM Scoring dialog. New! Audit response columns can now be automated based on RMM, inherent and control risk scoring. Select from the following letters:
	
	  • A. Substantive procedures - basic
	
	  • B. Substantive procedures - extended (sampling, fraud, significant risks, etc.)
	
	  • C. Substantive analytical procedures (proof in total, etc.)
	
	  • D. Tests of controls (operating effectiveness)
	
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	Note: If inherent and control risks are not automated, then the automatic assessment of RMM will be populated from the Risk dialog. It accumulates the sum of all the assertions for each risk assigned to a specific FSA area and takes the highest per FSA and assertion.

Fields/Options	What to do...
Audit Response Columns	**Terminology** Select the default terminology name by select other and typing a new value.
	Audit response type
	Select an applicable audit response type from the drop-down.
	Include
	Select or clear to include the response type to the FSA. Click the icon to select the corresponding groupings/subgroupings. The selections determine which procedure groupings should be included or excluded, depending on the responses given in the FSA.
	Note: If there are no procedures that match the response type in the client file, a warning will display.

8. Select the **Check when completed** check box.

Results
You have now specified the settings for the Financial Statement Areas Worksheet.

5 <u>FORMS</u>

5.1 Introduction

CaseWare provides users with a variety of sample forms, checklists, work programs, and other useful practice aids that can save time and money while ensuring completeness and consistency. These forms however, should always be tailored by the firm author to ensure that the known facts and circumstances of each engagement are addressed.

In this section, we will examine how the firm author can:

- Change form settings, including those for Firm information and logos.
- Set document prerequisites.
- Create and modify letters, work programs and checklists.
- Create and modify procedures.
- Generate and customize the Financial Statements Areas (FSA) worksheet.

5.2 Form Settings

5.2.1 Firm Information

The **Firm Information** document contains basic information about the firm that is established for the practice unit. This information automatically populates correspondence, including the engagement, representation, and management letters. Once completed in the master template, this information is replicated in all engagement files and will only require modification by engagement teams where there are multiple offices. You can also choose to add a firm logo and firm name to the footer of each document. Logos are only accessed through the master template and cannot be changed in a client file.

Missing or incorrect data in these letters at the client engagement level should be rectified in the firm master template.

5.2.2 Completing Firm Information

Procedure

5.2.2.1   In the Document Manager, open the **Control Documents** folder and open the **Firm Information** document.

5.2.2.2   Fill in the appropriate fields. **Tip:** Press **Enter** to move to the next input boxes.

5.2.2.3   (Optional) In the Logo area, click **Browse** to find the path where the firm logo is located.

Notes

5.2.2.3.1 When a logo is selected, a copy of the image will be copied into the appropriate folder and will be repackaged with the template for distribution).

5.2.2.3.2 You can preview the logo by clicking **Preview** to ensure that it is showing in the correct location on the sample page.

5.2.2.4   Select/clear the **Show the firm logo in all documents** checkbox to insert/remove the firm logo in the footer of all documents.

5.2.2.5   Select/clear the **Show the firm name in all documents** checkbox to insert/remove the firm name in the footer of all documents.

5.2.2.6   In the upper right-hand corner, select the **Check when completed** check box.

5.2.2.7   Click   to return to the Document Manager.

5.2.3 Logos

The firm has the option to include their firm name and/or logo at the bottom of documents included with the template. This option populates the name and/or logo globally; however, the name and/or logo can be suppressed where desired on individual documents. Note that these options will be available in client files, and they will only show in the master template.

5.2.4 Document Prerequisites and Dependencies

As a quality-control measure, firms may want to prevent users from working on certain documents until other documents have been completed. For example, a firm may want to ensure that documents key to the planning phase are completed before documents from the performing phase are started. Users can also specify the dependencies for a document. Dependencies prevent any further changes from being made to a document once another document has been signed off by a specified role. Therefore, once the document has been signed off, none of the sub-documents that are dependencies can be modified.

The firm can specify the consequences of not meeting the prerequisites including:

- No consequences – an information icon is displayed to advise users that document dependencies exist, but users can continue to work on the document.

- Warning - warning text (customizable by the firm author) will pop up in a dialog upon opening, along with what documents needs to be completed prior to working on the current document.

- Lock document - the user cannot work on the document unless a password is entered, or the dependent document has been completed.

Note:
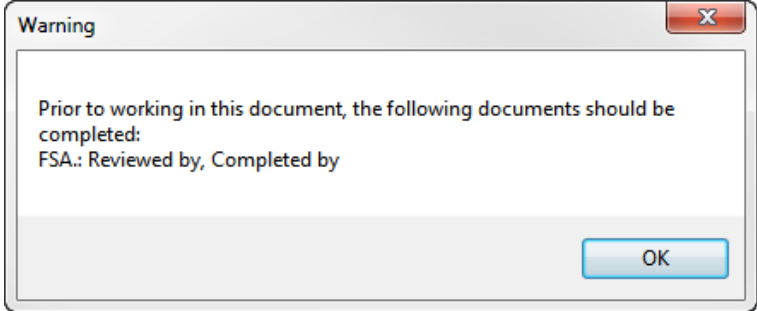
- Prerequisite conditions are defined in the firm's master template but are only applied when working in an engagement file.

- If the prerequisites feature is not enabled for the document, the document opens normally, and the user is not prohibited from working on it.

5.2.5 Configure Document Prerequisites and Dependencies

Prerequisites
The following attributes are available when configuring document prerequisites:

Attribute	Description
Document Prerequisites	Select a document or a combination of documents by selecting the role signoffs that must be met before the current document can be worked on in an engagement.
Action	Select actions to take if prerequisites are not met.

Attribute	Description
Display a warning icon	Displays a default warning message before the document launches and a notification warning icon in the open document's header area. The User will not be prevented from editing the document. This option will always be selected and cannot be changed.
Display alert message	Displays custom text in addition to the default warning message. The User will not be prevented from editing the document
Lock document	Locks the document until the prerequisite conditions are met or the User enters the password by selecting the CaseView Tools menu and choosing **Lock | Form Mode**.
Exceptions	Select actions to take when the required documents do not exist in the engagement client file.
Ignore missing documents	Missing documents are ignored when the prerequisite conditions are evaluated.
Notify user	Message displays stating that there is a missing document that is set as a prerequisite. This message will pop up each time the document is opened until the user inserts the missing document through the **Document Library** from the master template.

Note:

- The default is set to two signoff roles. To change and define the **Number of Roles**, select the Working Papers **Tools** menu and choose **Options \| Roles**.

- The **Apply Document Prerequisites** option is selected by default in all documents. Care should be taken by the firm in removing this option.

Dependencies

The following attributes are available when configuring document dependencies:

Attribute	Description
Select a Role to prevent sign off removal	Ensure that this check box is selected in order to specify dependencies.
Select a role	When this role is signed off on this document the dependent documents selected below will be signed off and the sign offs cannot be removed.
Prevent sign off removal on	Selecting the documents in this list will make them dependent on the current document. These documents will be signed off with a sign off that cannot be removed when the specified role is signed off on the current document.

As the firm author, you can specify prerequisites for a work program, checklist or other document. Prerequisites are other documents that must be completed before working on this document.

To specify document prerequisites:

5.2.5.1   In the Document Manager, open the document for which you want to specify prerequisites.

5.2.5.2   From the **Document** menu, select **Configure Prerequisites and Dependencies**.
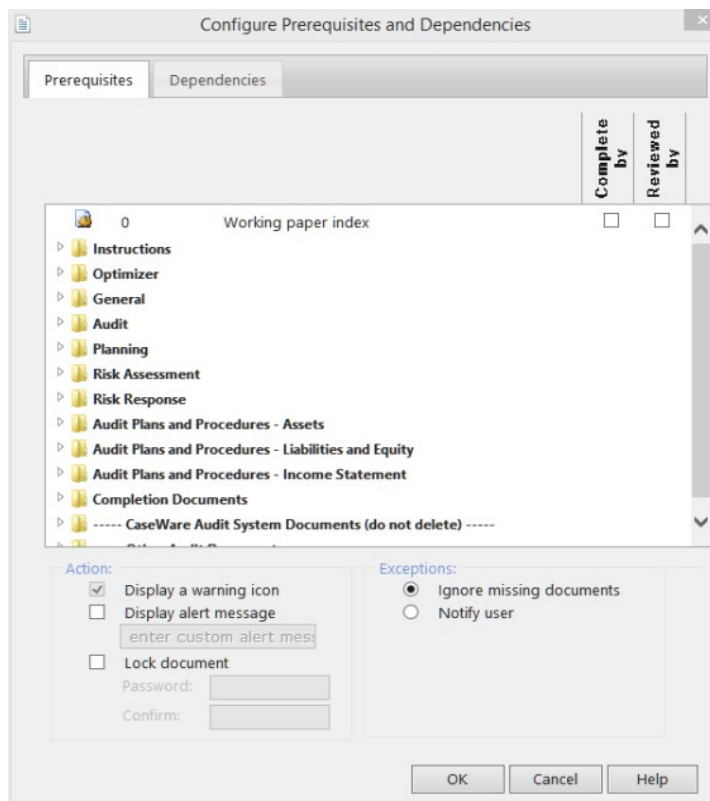
5.2.5.3 In the Document Prerequisites pane, expand the folders to locate the documents that are to be prerequisites.

5.2.5.4 For each prerequisite document, select **Completed by** if the document must be completed. Select **Reviewed by** if the document must be completed and reviewed.

To specify document dependencies:

1. Select the **Dependencies** tab

2. Ensure that the check box for **Select a Role to prevent sign off removal** is selected.

3. Select a role using the drop-down. When this role is signed off on this document the dependent documents selected below will be signed off and the sign offs cannot be removed.

4. Select the documents where sign off removal will be prevented when the current document is signed off.

5. To remove dependencies, open the dialog again and change your selections.

5.3 Letters

Depending on your version of **Audit** and jurisdiction, one or more sample letters are included with the template. As the firm author, you can add additional letters based on these samples or on a blank sample letter under the **New Master Documents** folder. The blank sample letter is unlocked and can be fully edited in design mode. The other sample letters may also be unlocked, depending on your jurisdiction. You may elect to lock the letters prior to distributing the template to your users.

Like all the advanced documents within **Audit**, the **Letter** documents are also created using **CaseView**. However, unlike all the other **Audit** documents, which only allow access to the **Form Mode** of CaseView, Letter documents allow you to access the **Design Mode**.

Design Mode provides you with all the features of CaseView, allowing you and your users to fully customize the document. Form Mode is normally used by the end user of a document and provides minimal abilities to modify the document.

As CaseView is a robust, full-featured application in and of itself, to provide a full understanding of this tool is beyond the scope of this section. Instead, we will look at some of the features of letter documents and some CaseView basics. For more information on using CaseView, visit the [CaseView Online Help](#).

Each letter has the following properties that the author can define:

Property	Description
Name	The letter name, which appears at the top of the letter. It can also be changed in the Headings Extended Description for CaseView in the Document Properties dialog in the Working Papers Document Manager. To insert a line break to create multiple lines, use Shift-Enter.
Structure Version	This field is used for version tracking for updates.
Description 1, 2, 3	In the **Form Identification (Footer)** section, you can specify the footer that will appear on this document. The information entered in the three description fields is joined together to make a single footer. If information exists in the fields, it has been specified in the **AO - General Options** document for the firm. This footer can still be modified for the current document, replacing the footer specified in the general options.

Supported Industries	Select the industries specific to the letter when creating and showing industry-specific content. For any additional industries selected, all available required industry-specific procedures will be added to your current document.
	For any industries removed, any industry-specific procedures associated with the removed industry will be deleted from your current letter. Note that the contents will be available in the content library when the industry is re-selected.
	Click **Select All** to select all industries and **Unselect All** to unselect all industries. These may be useful for authors who would like all supported industries available when creating industry-specific procedures.

Property	Description
Document uses only industry-specific procedures	Select this option if the letter will only include procedures related to the selected industries. Any procedures not associated with any industry or associated with industries that are not selected will be removed from the letter. Authors can use this tool to create industry-specific letters. When the letter is opened, the ![icon] icon appears to the left of the document number.

You can use the following common cells when drafting the letter:

Cell Description	Cell Name	Cell Calculation
Letterhead		
Name of firm	ACFIRM1	cvdata ("CQ010010_010")
Address 1	ACFIRM2	cvdata ("CQ010010_020")
Address 2	ACFIRM3	cvdata ("CQ010010_030")
City	ACFIRM4	cvdata ("CQ010010_040")
Province/State	ACFIRM5	cvdata ("CQ010010_300")
Postal/Zip Code	ACFIRM6	cvdata ("CQ010010_060")
Firm Designation	CAFIRM10	cvdata ("CQ010010_100")
Singular		
" our" vs" my" used in a letter (lower case form). Option is triggered from the menu to use singular or plural tense	WEI2	if (SING1=0,"our","my")
" we" vs" I" used in a letter (lower case form). Option is triggered from the menu to use singular or plural tense	WEI3	iif(SING1=0,"we","I")
" We" vs" I" used in a letter (capitalized form). Option is triggered from the menu to use singular or plural tense.	WEI4	iif(SING1=0,"We","I")
"Our" vs "My" used in a letter (capitalized case form). Option is triggered from the menu to use singular or plural tense	WEI5	iif(SING1=0,"Our","My")
"us" vs "me" used in a letter (lower case form). Option is triggered from the menu to use singular or plural tense	WEI6	iif(SING1=0,"us","me")
Consolidated		
Cell to be referred to consolidated when selected from the menu.	CONSOL	iif(CONSOLID1," consolidated "," ")

Cell Description	Cell Name	Cell Calculation
Other		
Client name as defined in Engagement Properties	CLIENT	Clp2

You can populate external data entries from EP7 document. The following entries include:

Cell Description	Cell Calculation
Country	cvdata("CQ010010_045")
Telephone number	cvdata("CQ010010_070")
Facsimile number	cvdata("CQ010010_080")
E-mail address	cvdata(" CQ010010_085")
Practicing unit is referred to as	cvdata("CQ010010_090")

5.3.1 Creating a new letter

Procedure

5.3.1.1   From the Document Manager, open the **New Master Documents** folder.

5.3.1.2   Right-click the **LETTER Sample Letter** document and select **Copy**.

   Note: You can also copy an existing letter in the Document Manager to use as its base.

5.3.1.3   Right-click the location in the Document Manager for the new letter and select **Paste**.

5.3.1.4   Right-click the new document and select **Properties**.

5.3.1.5   Change the document **Number** and **Name** and click **OK**.

5.3.1.6   Open the new document and, from the top menu, go to **View | Design Mode** to create the content for the letter.

5.4 Work Program and Checklist Documents

Audit includes automated **Work Program** and **Checklist** document types. Work Programs contain audit procedures for each specific financial statement area as provided by the content author. Checklist documents are like Work Programs but contain fewer components and are used where the procedures and responses require less detail such as for Yes/No and input type procedures. Within **Audit**, Checklists are predominantly found in the Planning, Risk Assessment, Response to Assessed Risks and Completion Documents folders.

As the Firm Author, you can modify the display of Work Program and Checklist documents and create new Work Program and Checklist documents. You can also add, modify, delete and allocate procedures. Modifying any original procedure in **Audit** changes the ownership of the procedure from the template provider to the firm.

When engagement teams open a work program or checklist for the first time, the content and areas that display are based on the selections made by the content author and your firm.

Work programs and checklists may include the following areas, depending on your product:

1. Risk report

2. Document guidance

3. Detailed Audit Response (only available in work programs)

4. Objectives (only available in work programs)

5. Financial Statement Assertions (only available in work programs)

6. Procedures

7. Audit Conclusions

As the Firm Author, you can modify these areas or elect not to have them display for your Users.

Tabs located at the top of each work program and checklist enable you to access a specific area of the document. When you select a tab, only that area is displayed. To return to displaying all areas, click the **All** tab. If an area is hidden or disabled, its tab is not displayed. Clicking the **Audit Procedures** tab displays an additional row of procedure tabs, enabling you to select a specific group of procedures.

The top of the work program also displays important information for this account, such as overall materiality, performance materiality, adjusted performance materiality, or current balance.

5.4.1 Creating a Work Program

Procedures:
New Work Program

5.4.1.1   In the Document Manager, click on the location (document or folder) where you would like to add the Work Program.

5.4.1.2   Click the **Work Program** button on the **Template** toolbar to create a new Work Program.

5.4.1.3   Complete the "The document name, which appears at the top of the document. It can also be changed in the Headings Extended Description for CaseView in the Document Properties dialog in the Working Papers Document Manager. To insert a line break to create multiple lines, use Shift-Enter." on page **Error! Bookmark not defined.** for the new work program and click **OK**.

5.4.1.4   Customize the new work program and then save it. It will be assigned a document identifier and a position in the Document Manager automatically.

Work Program based on Master Document Library

1. From the Working Papers menu, select **Document| New**. Select **From Document Library** and click **OK**

2. In the **Source** box, select the desired source.

3. Highlight the desired work programs and either click **Add** or drag and drop them onto the **Document Manager**.

Notes:

- If you cut and paste content from another document, the formatting will be corrected when you Save the document.

- Authors should ensure that they do not delete the master document **NWPG - New work program** from the master template, as this document is needed to create additional work programs.

- Copying a document from the Master Template Document Library does not override the engagement file's loaded Profile.

Work Program Document Properties

Option/Field	Description
Name and Structure Version	**Name** The document name, which appears at the top of the document. It can also be changed in the Headings Extended Description for CaseView in the Document Properties dialog in the Working Papers Document Manager. To insert a line break to create multiple lines, use Shift-Enter. **Structure Version** This field is used for version tracking for updates.

Form Identification (Footer)	**Form Identification (Footer)** Specify the footer that will appear on this document. The information entered in the three description fields is joined together to make a single footer. If information exists in the fields, it has been specified in the AO - General Options document for the firm. This footer can still be modified for the current document, replacing the footer specified in the general options.
Procedure response	Select from a list of work program responses that are to be made available to the user. See [Defining Standards for Work Programs](#) for more details.
Other	**Use Input Response** Select to set the Work Program to respond to user responses. **Show Note Row** Select to display note rows below each procedure/sub-procedure in the Work Program.

Option/Field	Description
Additional Detail Fields	**Type** The Document Type is used to group work programs and checklists for display in the Work program/checklist progress report. For example, if you set the type as Field Work, all work programs/checklists tagged with this type will appear together in the progress report. **Topic** Organize the presentation of the progress report by providing a topic. For example, adding a topic of Current Assets would group work programs/checklists with this topic together in the progress report. **Reference** Type the text to a link that may be useful when completing a document. **URL** Type the URL for the linked text that may be useful when completing a document.
Supported Industries	Select the industries specific to the program when creating and showing industry-specific content. For any additional industries selected, all available required industry-specific procedures will be added to your current checklist. For any industries removed, any industry-specific procedures associated with the removed industry will be deleted from your current document. Note that the contents will be available in the content library when the industry is re-selected. Click **Select All** to select all industries and **Unselect All** to unselect all industries. These may be useful for authors who would like all supported industries available when creating industry-specific procedures.
Document uses only industry-specific procedures	Select this check box when only procedures related to the industry selected are to be included in the checklist. Any procedures not associated with any industry or associated with industries that are not selected will be removed from the document. Authors can use this tool to create industry-specific checklists. When the checklist is opened, the icon appears to the left of the document number.

5.4.2 Creating Checklists

Blank checklists can be added by the author by copying the master checklist. Authors may enter the procedure text by copying/pasting from another document or manually entering the content.

Procedure

> 5.4.2.1   In the Document Manager, click on the location (document or folder) where you would like to add the **Checklist**.

5.4.2.2   Click the **Work Program** button on the **Template** toolbar to create a new **Checklist**.

5.4.2.3   Complete the "Checklist Document Properties" on page 73 for the new checklist and click **OK**.

5.4.2.4   Customize the new checklist and then save it. It will be assigned a document identifier and a position in the Document Manager automatically.

Notes

- If you cut and paste content from another document the formatting will be corrected when you save the document.

- You can also right-click on **NWPG New Checklist** in the New Master Documents folder and copy/paste the file to create a new checklist.

- Authors should ensure that they do not delete the master checklist document **NCHKLST - New checklist** from the master template, as this document is needed to create additional checklists.

For additional help, see the Audit QuickVid – [Creating New Work Programs and Checklists].

Checklist Document Properties

Each checklist has the following properties that the author can define:

General Tab

Property	Description
Name	The document name, which appears at the top of the document. It can also be changed in the Headings Extended Description for CaseView in the Document Properties dialog in the Working Papers Document Manager. To insert a line break to create multiple lines, use Shift-Enter.
Structure Version	This field is used for version tracking for updates.

Show Column

Property	Description
Procedure Sign-off	Select this check box to require the user to enter initials and date beside the procedure when completed.
Reference	Select this check box to include the reference column. The reference column allows cross-references to be added by the user and the related drill-down to the document referenced.

Show Row

Property	Description
Notes	Select this check box to include the notes row. The notes row provides an input area where users can type text.

Heading

Property	Description
Procedure	The text of the column heading for the procedures.
Result	The text of the column heading for the results.
Conclusion	The text of the column heading for the conclusion.

Other

Property	Description
Response Type	The response type for the Result column. Select the required format from the drop-down list: • **Work Program Responses** - display the Procedure Response panel, which lists the responses defined in the Completion Responses area of the **AO - General Options** document. Select check boxes to specify the responses that are to be made available to the user that is completing this checklist. • **Yes/No/NA/Other (No requires explanation)** - when a No response is selected, an explanation is always required. • **Yes/No/NA/Other (Yes requires explanation)** - when a Yes response is selected, an explanation is always required. • **Input Type Response** - create an input area for the response. • **Yes/No/NA/Other (No explanation required for Yes/No)** - no explanation is required if a Yes or No response is selected. • **Yes/No/NA/Other** - an explanation is required only if the Other response is selected. • **Yes/No**
Conclusion Area	The author specifies the conclusion options. Select the required option from the drop-down list: • **Do not use** - no conclusion area is included. • **Conclusion & Sign-off** - a text area for a conclusion and a sign-off area are included. • **Sign-off Only** - only the sign-off area is included. • **Conclusion Only** - only the text area for a conclusion is included.

Form Identification (Footer)

In the **Form Identification (Footer)** section, you can specify the footer that will appear on this document. The information entered in the three description fields is joined together to make a single footer. If information exists in the fields, it has been specified in the **AO - General Options** document for the firm. This footer can still be modified for the current document, replacing the footer specified in the general options.

Procedure Response

When Work Program Responses is selected as the Response Type, select from a list of work program responses that are to be made available to the user that is completing this checklist.

Additional Details Tab

Property	Description
Type	The Document Type is used to group work programs and checklists for display in the Work program/checklist progress report. For example, if you set the type as Field Work, all work programs/checklists tagged with this type will appear together in the progress report.
Topic	Organize the presentation of the progress report by providing a topic. For example, adding a topic of Current Assets would group work programs/checklists with this topic together in the progress report.
Reference	The Reference and URL fields provide a link to guidance that may be useful when completing a document. The Reference field provides the text of the link.
URL	The Reference and URL fields provide a link to guidance that may be useful when completing a document. The URL field provides the URL for the link.
Supported Industries	Select the industries specific to the program when creating and showing industry-specific content. For any additional industries selected, all available required industry-specific procedures will be added to your current checklist. For any industries removed, any industry-specific procedures associated with the removed industry will be deleted from your current document. Note that the contents will be available in the content library when the industry is re-selected. Click **Select All** to select all industries and **Unselect All** to unselect all industries. These may be useful for authors who would like all supported industries available when creating industry-specific procedures.
Document uses only industry-specific procedures	Select this check box when only procedures related to the industry selected are to be included in the checklist. Any procedures not associated with any industry or associated with industries that are not selected will be removed from the document. Authors can use this tool to create industry-specific checklists. When the checklist is opened, the icon appears to the left of the document number.

5.4.3 Risk Report

As you accumulate risks, you can view, edit or copy them in the **Risk Report**. This report summarizes risks in various views and includes procedure responses.

In the Risk Report, shading is used to highlight risks that are more severe. The colors used, in order from least severe to most severe: white (least severe), grey, violet, magenta, scarlet, bright red (most severe).

Different **Views** can be created and saved by selecting various **Filters**, applying a **Layout**, adding and removing columns, and changing column widths.

To add or remove columns for display, right-click the risk report and check or uncheck the column name.

To resize the columns in the Risk Report Table, click the ruler button ⬛. Click on the worksheet heading that you wish to resize, then drag the bars on the ruler.

Once **Filters** and **Layouts** have been applied, the **View** can be saved and become available from a drop-down list. Firms can define custom views and use the drop-down to save these views. Auditors can then easily view risk reports and include them in the documentation of risk analysis in their engagement files.

5.4.4 Document Guidance

The content or Firm Author can provide guidance for users at the document level. For example, this could be in the form of authoritative details, instructions for a specific document or procedure, or any information that would be of use to the user. **Annotations**, **hyperlinks** and CaseView cells can also be added to the guidance area. Procedure level guidance can also be provided and will be explained in the Audit Procedures area.

Document guidance is provided at the top of the work program or checklist and provides overall guidance for the document.

To **show** or **hide** the **Document Guidance** area, select **Display Document Guidance** from the **Options** menu.
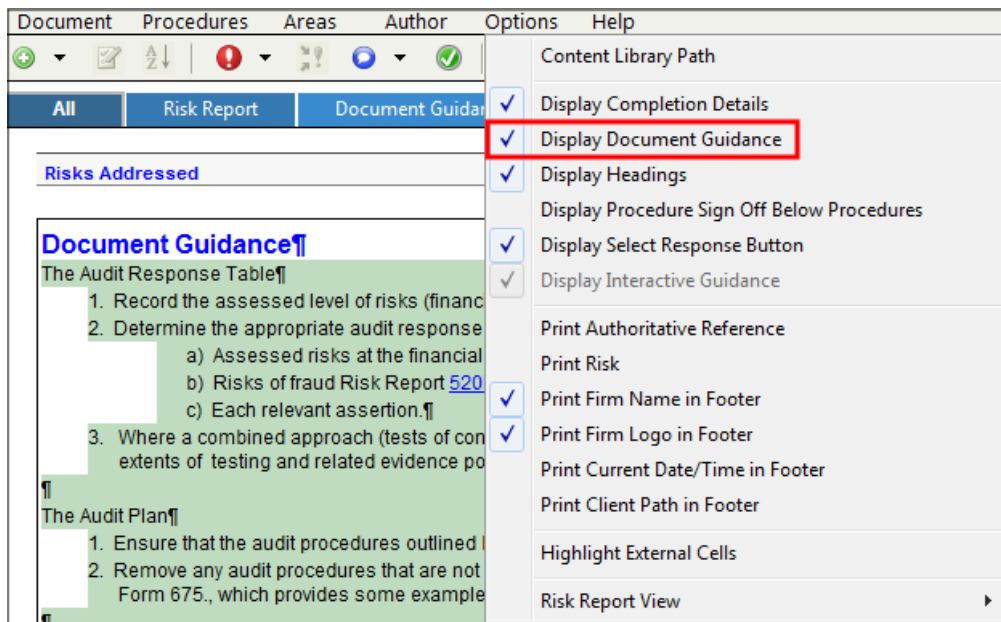
You can insert your own custom Document Guidance with a version to control whether it should trigger an update in the engagement file. To do this,

5.4.4.1 From the **Areas** menu, select **Insert Document Guidance.**
Note: If the guidance was created by a different author, you will obtain the following error:
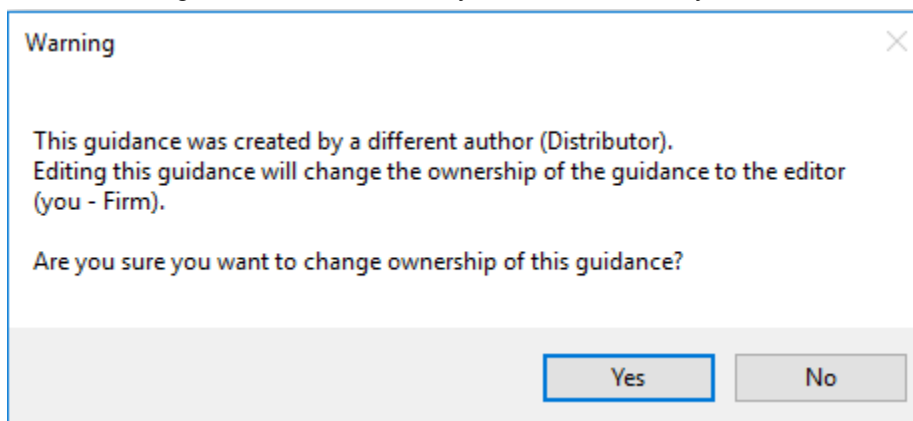
Click **Yes** to proceed.

5.4.4.2   New! Change the first digit to propagate the update to the engagement file or change the second digit to save it to the master template only.

5.4.4.3 Enter the new guidance text in the green input box.

5.4.4.4 Save and close the document.

5.4.5 Detailed Audit Response

Found only in work program documents, the **Detailed Audit Response** area allows your engagement teams to plan and design a work program that responds to assessed risks at both the financial statement and assertion level.

The audit response table is located at the top of each work program. Several default formats are available in the content library for inclusion, or Firm Authors can choose to create their own format.

Note:

- If you save an existing or new format to the library, this format becomes available for inclusion in all work programs.

By default, all detailed audit response formats are available to your users.

5.4.6 Objectives

Found only in work program documents, the **Objectives** area defines the objectives for each work program. This area is optional and can be turned off in each work program document or globally from the **AO - General Options** document.

You can associate objectives with audit procedures and sub procedures. Associated objectives display in a column next to the procedure.

To **show** or **hide** the Objectives area, select **Insert List of Audit Objectives** from the **Areas** menu. Hiding the Objectives area will not affect the associated objectives displaying in the **Procedures** area.

To **delete** the Objectives area and the list of objectives, right click in the Objectives area and select **Delete Objectives**. Deleting the Objectives area will clear the objectives displaying in the **Procedures** area.

To **insert**, **edit**, **delete**, or **sort** an objective from the Objectives area, right click and select the appropriate item.

5.4.7 Financial Statement Assertions

Assertions are representations by management, explicit or otherwise, that are embodied in the financial statements. An auditor must obtain enough competent evidence to support the financial statement assertions.

Found only in work program documents, the **Financial Statement Assertions** area displays all available assertions and their abbreviations. This area is optional and can be turned off in each work program document or globally from the **AO - General Options** document. Audit defaults with the **Assertions** area available but not displayed in the work programs.

Audit defaults with four assertions: **Completeness**, **Existence**, **Accuracy**, and **Valuation**. As Firm Author, you may change or include other assertions. Additional assertions cannot be added by the engagement team.

To **show** or **hide** the assertions area, select **Insert List of Assertions** from the **Areas** menu or click the toolbar button ▣ .

5.4.8 Audit Procedures

The Procedures area contains the steps to be performed by the engagement team to obtain enough audit evidence that the statements are not materially misstated. You can **insert**, **modify**, and **delete** procedures and sub-procedures.

When authoring content in the work programs in the master file, the columns visible to the author are different from those visible in client files. The columns in the author view help to manage version and procedure naming information. Version information is only displayed at the engagement level during content update through **Check for Updates**, as it is used solely to manage the content. Similarly, the author does not need to view results, sign-off information, and notes while creating/editing content. Therefore, those columns only display in an engagement file.

Except as noted, the **Procedures** area in work program and checklist documents includes the following columns:

Column	Description
Procedure	A procedure has three possible levels. The numbering structure of these levels is predefined and cannot be modified. You can **insert**, **modify**, or **delete** procedures from a right-click menu or from the **Procedures** menu. Procedures marked as Required cannot be deleted. If a procedure has been defined for specific industries, an ⌗ icon appears at the left of this column. Hover over this icon to display the industry and industry code for this procedure.

Column	Description
Obj (Work Program only)	Objectives from the Objectives area are associated to procedures or sub procedures. To change objectives, right-click the procedure and select **Objectives**, or select **Objectives** from the **Procedures** menu. The **Obj** column only appears when set in the **AO - General Options** document.
Assert (Work Program only)	Assertions from the Assertions area are assigned to the individual procedure or sub procedure. To change the assertion, right-click the procedure and select **Assertions**, or select **Assertions** from the **Procedures** menu. The **Assert** column only appears when set in the **AO - General Options** document. **Note:** You can enable Optimiser to delete procedures from a work program associated to the FSA, if none of the procedures' assertions match the FSA's Relevant Assertions. To configure the Optimiser to delete these procedures, select the **Delete procedures based on risk thresholds in the FSA** option from the Optimiser pane of the **AO - General options** document.
Threshold (Work Program only)	The **Threshold** column appears only when the **Optimiser** feature in the **AO - General Options** document is configured to enable deletion of procedures based on risk thresholds. It specifies the minimum risk assessment threshold for each procedure. If the RMM for the work program is lower than the procedure's threshold, the procedure is deemed to be unnecessary and deleted from the work program. The RMM is specified in the Financial statement areas worksheet. To change the threshold, right-click the procedure and select **Assertions**, or select **Assertions** from the **Procedures** menu, and select the appropriate threshold.
Ref	Create document reference links to documents where audit work would be performed. To enter a reference, right-click the procedure and select **Insert New Reference** or select **Insert New Reference** from the **Procedures** menu.
Name	The **Name** is used to identify the procedure in the content library. Sub procedures do not have a **Name**, as they belong with the main procedure.
Req (Work Program only)	The firm or content author can set the procedure as Required for all engagements, preventing users from removing the procedure or any of its sub-procedures. Required procedures are automatically updated on a check for updates.
Ver	The version is used to identify when changes are made to the content. When a user checks for content updates, the user will be advised that the content is out of date only if the version numbers differ. The firm author must ensure that they change the version number if they modify content.
Modified Date	Provides a calendar date for the author to track the date the content was modified.
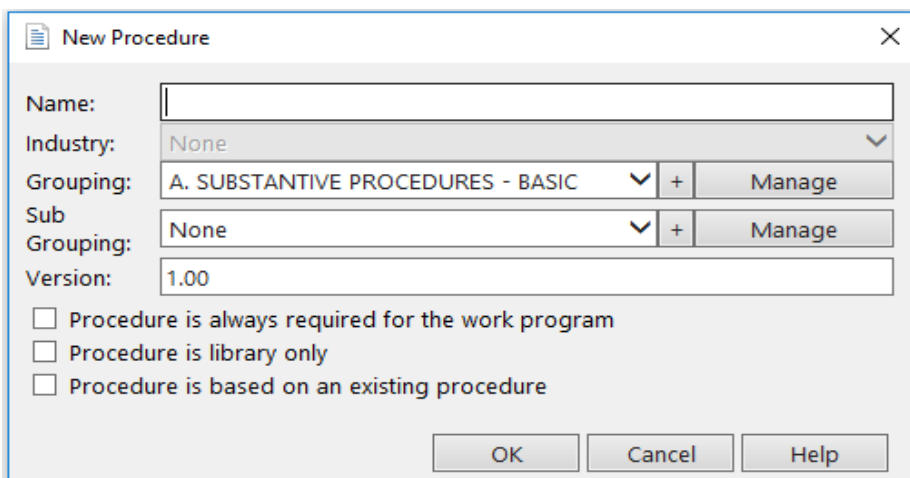
5.4.8.1   Authoring New Procedures

Procedures can be authored and added to a work programs / checklist.

Note: If a document does not contain any procedures, a message window will appear to confirm that no procedures have been found to import.

Procedure

1. Place your cursor on any procedure or sub procedure.

2. Right click and select **Insert New Procedure**. You can also use the **Author** menu at the top of the work program / checklist or click ⊕ . Additional alternatives are available from the drop-down next to the ⊕ button.

3. Select the number of procedures to insert and click **OK**.

4. In the **New Procedure** dialog, define the properties of the procedure.

Property	What to do...
Name	Type a name to identify the procedure.
Industry	Select an industry if the procedure is specific to an industry. Industry drop-down is disabled if no industries are selected in the Document Properties dialog.
Grouping and Subgrouping	Select a grouping or subgrouping to define where the procedure should appear. For more information, see Adding Procedures to Grouping or Subgrouping.
Version	Type the Version number to assist in tracking changes. For more information, see Content Management.
Procedure is always required for the work program	Select to make the procedure to be a required procedure for the Work Program. Required procedures cannot be deleted. Procedures marked as required will display ✱ near the procedure.
New! Procedure is library only	Select to make the procedure optional for the Work Program. Procedures marked as optional will display near the procedure.
Procedure is based on existing procedure	Select if a procedure is to be created based on an existing procedure within the work program. **Note:** You can remove all marked optional procedures ( ) by selecting **Remove All Library Only Procedures** from the **Author** menu.

5. Type the required procedure text.

period.

- Depreciation/amortization expense compared to the previous period.
- Additions during the period compared to the approved capital budget (if available).
- Reasonableness of current period additions, disposals, retirements and depreciation/amortization policies in light of the entity's operations and business plans.

Document findings.

2.
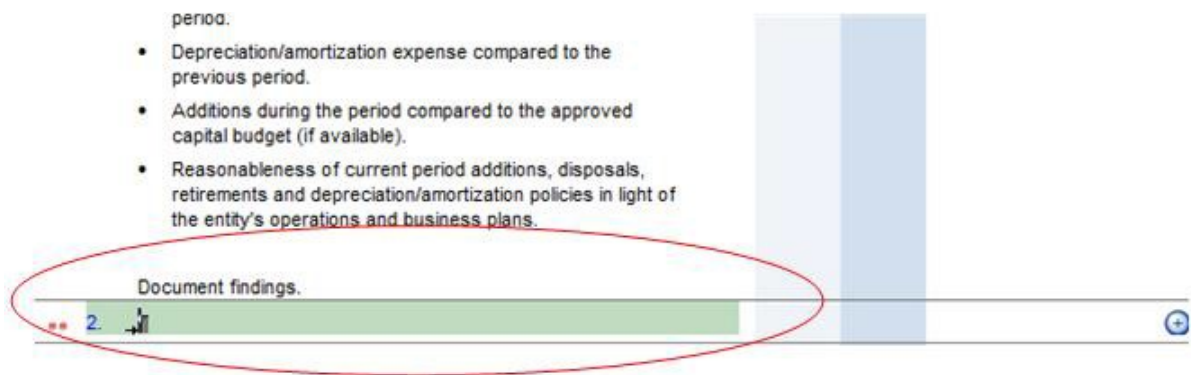
6. Sort the procedures as required.

7. Ensure that the version number and modified date are set as desired. See Updating Procedures in the Master Template Only for more information on versioning.

Note: You can remove all marked optional procedures (**) by selecting **Remove All Library Only Procedures** from the **Author** menu.
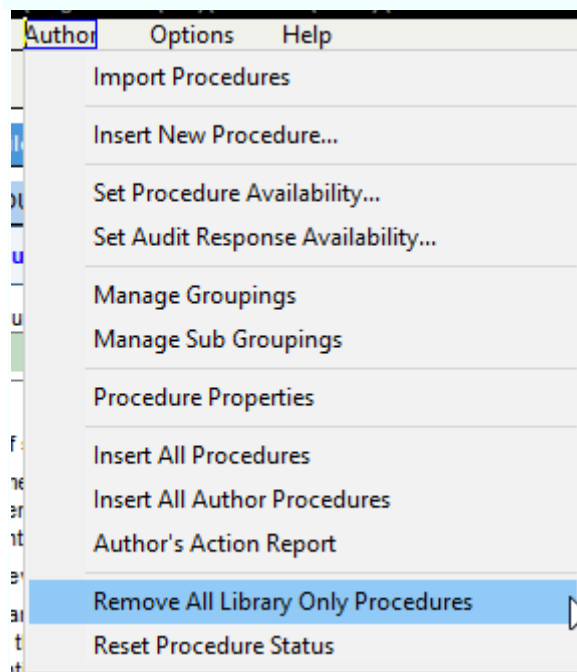
5.4.8.2   Adding New Sub Procedures to Authored Procedures

Procedure

8. Place your cursor on any procedure or sub procedure.

9. Right click and select **Insert New Sub Procedure - 1st Level** or **Insert New Sub Procedure - 2nd level**. You can also use the Procedures menu at the top of the work program / checklist or

the drop-down next to the ⊕ button. You can specify the number of procedures to add, but sub procedures are limited to a maximum of 30.

10. If you require the sub procedures at the second level, you must start with your cursor on a sub procedure.

11. Type the required text or copy and paste text from another document. You can use the CaseView Style Bar to bold, italicize or underline any text added. **Tip:** if text is copied from another document, the font may not look the same upon copying. Save the document when complete, and the sub procedure will be applied with the font to match the rest of the procedures.

12. Sort the sub procedures as required.

5.4.8.3   Importing procedures from a work program or checklist

Note: You can only select one document during the import process. If you wish to import from multiple sources, importing must be done one document at a time.

Procedure

13. In the menu bar, click **Author** and select **Import Procedures**. The Import Procedures dialog will open with the current client file as the Import Source.

14. If the work program or checklist that you wish to copy is in another client file, click **Browse** to change the import source. Select the client file (.ac) from which you want to copy.

15. The Import Source Document Manager below will show the document manager of the source you have selected. Refresh the list, if necessary, by clicking **Refresh**.

16. Select the document source from which to import the procedures and click **OK**.

17. The Import Procedures dialog will open with the list of procedures that can be imported. Select the check box beside each procedure you wish to import.

18. Click **OK**.

4.4.8.2 Selecting Procedures to Make Available

Procedure

1. From the **Author** menu, select **Set Procedure Availability.** The **Select Procedures** dialog appears.

2. Click the individual formats to preview. Ensure that the **Preview Content** check box is selected.

3. Select the **Available** check box beside each format if you want to make it available to users.
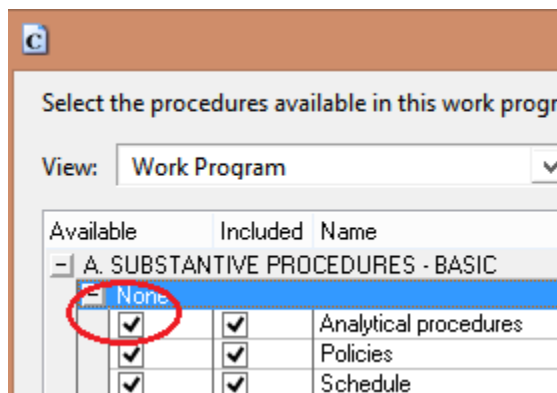
4. Once all content has been reviewed, click **OK** to save your changes.

4.4.8.3 Editing Procedures

Procedures can be edited in the work program or checklist. Changing the version number of a modified procedure will help the end user identify procedures that are out of date during the update process. Page breaks can also be added for printing purposes.

If you have procedures that are appearing in the wrong group or sub group title, you need to change the group or sub group of the procedure using the procedure properties. Note that if the procedure is not owned by you, you will not have access to modify the group or sub group in the procedure properties. In this case, edit the procedure to change ownership prior to modifying the group or sub grouping.

Note:

- Be sure to review the procedure availability to ensure the correct procedures are available to the user.

- If you do not own the procedure you are trying to edit, you will be warned to change ownership of the procedure when you try to edit the procedure. During the change in ownership, a new procedure is created based on the original procedure, and the original procedure will be marked as unavailable. For end users who already have client files with the original content, the check for updates will show the original procedure as deleted and a new procedure has been added by the firm author. It is the firm's responsibility to alert the user of the change, as the end user may not understand why a procedure has been deleted and another procedure has been added, and the client file is not showing the original procedure as updated.

- If the ownership is changed for a procedure that has been defined for a checklist, any custom actions defined for that procedure will be deleted.

- You can change the procedure to **Require** without changing the authorship. Note, however, that this may need to be reviewed to ensure they are set properly after any content update is released by CaseWare.

Modifying Existing Procedures

Procedure

1. Place your cursor on the procedure or sub procedure to be modified.

2. Right-click and select **Modifiable**. You can also place the cursor on the procedure to modify and select **Modifiable** in **Procedures** menu at the top of the work program. Type the required changes.

Notes

If you are modifying an original procedure, then you will receive the following prompt:
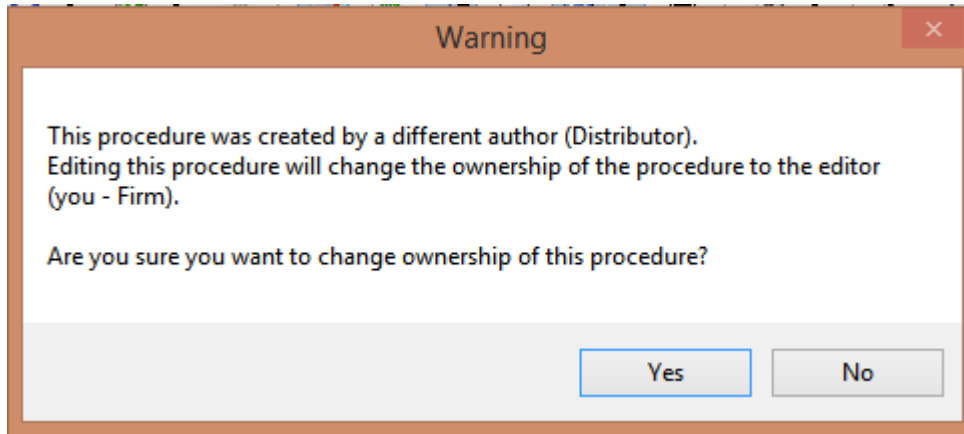
Audit will create a new procedure under the ownership of the firm instead of the content provider. The original procedure is no longer available and is only accessible through the **Set Procedure Availability** feature.

4.4.8.4 Procedure Guidance

Like **Document Guidance**, the content or firm author can provide procedure level guidance in the **Procedures** area. The guidance displays below each procedure or sub procedure and will never print. You can also include **annotations** and **hyperlinks** from the CaseView **Insert** menu. By default, the template displays all procedure guidance; however, you can elect to hide some or all guidance.

Note:

- If a firm author adds guidance to procedures that are not owned by the firm, the ownership of the procedure changes to the firm. This process creates a new procedure based on the original procedure, and the original procedure will be set to be unavailable.

Procedure

1. Place your cursor on the procedure or sub-procedure and select **Modifiable** from the right click menu.

2. Right-click and select **Procedure Guidance**. You can also use the **Procedures** menu.

3. Type the procedure guidance text next to the book icon .

4. Right-click and clear **Modifiable** when complete. Saving the document will also clear **Modifiable**.

Authoritative References

Instead of adding hyperlinks to the guidance below each procedure, you can quickly add them to the right of the procedure with the option to have them print.

Note:

- By default, Authoritative References do not print. To enable printing, select **Print Authoritative References** from the **Options** menu for each document.

- To edit the **Authoritative Reference**, right-click on the hyperlink and select **Edit | Edit Hyperlink**.

- If a firm author adds guidance to procedures that are not owned by the firm, the ownership of the procedure changes to the firm. This process creates a new procedure based on the original procedure, and the original procedure is set to be unavailable.

Procedure

1. Place your cursor on the procedure or sub procedure and select **Modifiable** from the right click menu. You can also use the **Procedures** menu.

2. On the right side of **Modified Date**, the blue **(add)** link will appear. Click on it to bring up the **Hyperlink** dialog.

3. Type in the desired **Display Text**, and if there is a page to display, the **URL**.

4. Click **OK**.

5. Right-click and clear **Modifiable** when complete. Saving the document will also clears **Modifiable**.
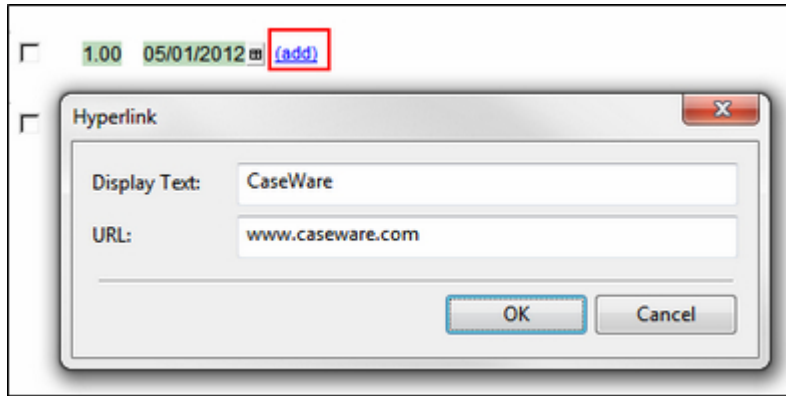
5.4.9 Conclusion Area

The Conclusion area provides an area to document conclusions and, where applicable, sign off the document. The conclusion area will always display in work program documents but is optional in checklist documents.

Firm authors can allow engagement teams to sign off incomplete work programs and checklists by setting the **Sign off an incomplete document** option in the **AO - General options** document. If this setting is disabled, the work program conclusion area cannot be signed off until all procedure steps are completed.

The **Conclusion** title for this area is defined globally in the **AO - General options** for work programs. For checklists, it is defined in individual checklist document properties from **Properties** in the **Document** menu.

To make changes to the conclusion text, select **Edit Conclusion** when you right click in the **Conclusion** area or by selecting the 🗩 button.

You can insert your own custom conclusion with a version to control whether it should trigger an update in the engagement file. To do this,

1. From the **Areas** menu, select **Insert Document Guidance.**

   Note: If the conclusion was created by a different author, you will obtain the following error:
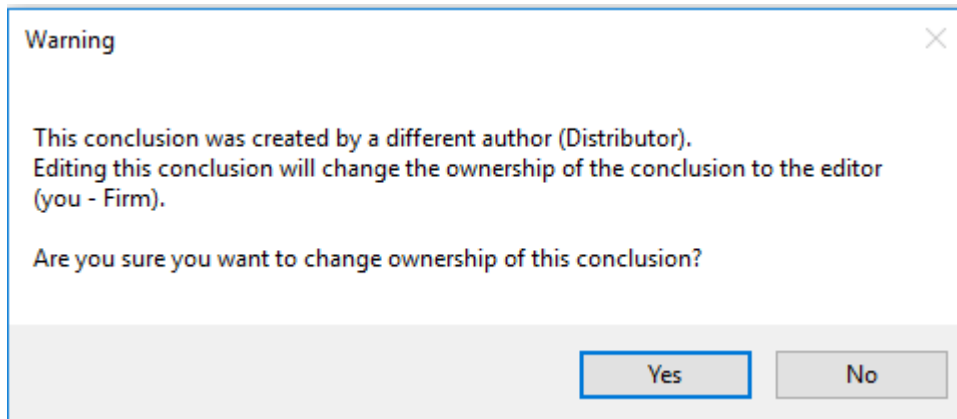
Click **Yes** to proceed.

2. New! Change the first digit to propagate the update to the engagement file or change the second digit to save it to the master template only.

3. Enter the new guidance text in the green input box.

4. Save and close the document.

4.4.10 Locking Work Program and Checklists

Once you have completed all necessary customizations, you have the option to lock the master template and/or lock the work program and checklist procedures prior to distributing the template to your engagement teams. Locking the template prior to distribution protects the template from unauthorized access and restricts the amount of customization that teams can perform at the engagement level.

4.4.10.1 Lock Author Mode

Locking the author mode prevents certain accidental or unauthorized modifications in the firm and user's copy of the master template file and content libraries. This is a global setting that locks the **AO - General options** document and limits functionality in all work program and checklist documents. Engagement teams are still able to customize work program and checklist documents in the engagement client files that they create.

Before locking author mode, you have the following menus available in work program and checklist documents:

After locking author mode, you are restricted to the following:
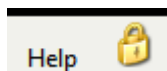
4.4.10.2 Lock User Procedure Customizations

Locking user procedure customizations prevents accidental and unauthorized modifications to work program and checklist procedures at the engagement client file level. Each work program or checklist document must be locked independently. This functionality can be used, for example, to ensure that the engagement team completing the document does not modify the original procedures and completes the document with the authored content as is. Note that locking procedure customizations will not have any effect on authoring in the master template.

When user procedure customizations have been locked, the Optimiser does not delete procedures when the work program or checklist is opened, even if the procedure threshold is above the overall assessed risk.

If user procedure customizations are locked by the engagement team, the lock is automatically removed after year end close has been performed. User procedure customizations that have been created by the firm author are retained after year end close.

The locked state of the document is indicated by the unlocked or locked icon to the left of the document name. Hovering over the icon displays a tooltip indicating the lock state, while clicking on the icon launches the feature.

Note:

- Lock User Procedure Customizations locks only the document you are currently in. The content author/engagement must manually lock each document individually.

- When the content author locks user procedure customizations in the master template, the content author can still make modifications in author mode.

- For firms using the Working Papers Protection feature, the Lock User Procedure Customization feature requires the user to belong to a group with a CaseView Access Level of 6 or higher.

  For more detailed information on protection, users, and groups in Working Papers, refer to the Working Papers help topic.

4.5 About Partner and Manager Summary Report

The Partner and Manager Summary Report provides key information in the engagement audit file and summarizes it in a customizable report. This summary assists reviewers by consolidating key information and issues in the audit in one document for review. If more detail is required on an item, the reviewer can then review the relevant individual documents.

As the Firm Author, you can customize the default report included in or create other reports with different options. Once created, your Users can generate the report as required.

Procedures

1. Open the relevant Partner and Manager Summary Report.

2. Click to display the options.

3. In each section area, from the drop-down list, select the type of section to include.

4. If **FSA** or **Other Issues** is set as the section setting, select from the list the type of issues to be included.

Audit defaults to display ALL Issues.

5. To add additional sections, click ⊕ .

6. To sort sections to an alternative order, click ⚇ .

7. To delete sections from the report, click ✕ beside each section.

8. When complete, click 📐 .

9. Click 📅 or from the **Document** menu, select **Generate**.

Note: To lock configurations, click 🔒 or from the **Document** menu, select **Lock/Unlock Settings**.

As the firm author, you can create reports with different options or reports to be generated by your users at different times during the engagement. For example, a report can be generated after the planning stage and another near the end of the audit. You can also create additional partner and manager summary reports to show different sections of the report, such as Materiality only. Once generated, the contents of the Partner and Manager Summary Report will not change unless the user regenerates the report

Procedures

1. From the Document Manager, open the **New Master Documents** folder.

2. Right-click the **NPMSD Partner and manager summary** document and select **Copy**.

3. Right-click the **Completion Documents** folder and select **Paste**.

4. Right-click the new document and select **Properties**.

5. Change the document **Number** and **Name** in the **General** tab and click **OK**.

6. Open the new document and **Configure** as required.

The following sections are available when configuring the Partner and Manager Summary Report:

Section	Description
None	Creates a blank area for input only. The engagement team could highlight or add additional information for the reviewer.
Materiality	Summarizes materiality information from the **Materiality** document.
Financial Statement Area	Displays the Risks and Issues associated with documents that are linked to items on the **Financial statement areas (FSA) worksheet**. Risks and Issues are grouped by the related FSA, with information such as planning balance, current balance, and materiality types from FSA.
	Also search for supporting documents option: When this item is selected, any Risk or Issue associated with documents that share the same folder as the document referenced to the FSA are also included.
Other Issue(s)	Includes issues from work programs or checklists that are not attached to an FSA. Issues are ordered in the order of the document manager.
Other Risk(s)	Includes risks that have not been attached to any FSA and issues recorded in the associated FSA line item are detailed.

 includes the document **PMSD - Partner and manager summary** in the Document Manager and defaults to include the **Materiality**, **Financial Statement Area**, **Other Issue(s)** and **Other Risk(s)** sections.

5.5 Financial Statement Areas Worksheet

As part of the planning process, the **Financial Statement Areas (FSA)** Worksheet can be used to identify significant or high-risk accounts that may require substantive procedures and accounts where the auditor can rely on performing test of controls. The FSA Worksheet also provides your engagement teams the ability to:

- Link significant areas to work programs.

- Associate applicable business cycles.

- Define relevant assertions.

- Evaluate Inherent, Control, Residual and RMMs at the assertion level.

- Develop the audit approach.

The Audit template includes the document **FSA - Financial statement areas worksheet (CORE)** in the Document Manager. As the Firm Author, you can modify the default configuration and pre-generate the worksheet to be used by your engagement teams. Pre-generating the **FSA Worksheet** and associating each financial statement area item to the appropriate work program saves time and provides consistency across all client files.

In this section, we will examine how the firm can:

- Modify some default columns from the **AO - General options** document.

- Configure the **FSA Financial statement areas worksheet (CORE)**.

- Pre-generate the FSA Worksheet to be used by your engagement teams.

The **Financial Statement Areas (FSA) Worksheet** accumulates all the financial statement areas in a central location for assessment and analysis.

The following table lists the columns in this worksheet. If a column is not displayed, use the **Areas** menu to display it.
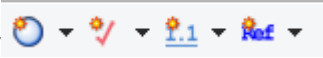
Column	Description
Group number	The grouping used is based on the selection made in **Configure** options. This will be blank for manually added items.
Accounts/disclosures or other matters considered significant	The description of the account/disclosure.
Planning Balance as of [date]	The unadjusted balance on the date when the worksheet was generated. These figures will not update unless the **Refresh** or **Generate** button is selected.
	If you double-click on an amount in this column, a popup window appears that lists the individual accounts that produce the amount.
Final Balance	The final balance after adjusted journal entries have been included. Note that the planning balance and the current balance may differ, and the current balance should be reviewed for any impact on planned procedures from the original planning balance.
	If you double-click on an amount in this column, a popup window appears that lists the individual accounts that produce the amount.
Unrecorded AJEs	The unrecorded proposed adjusted journal entries in the current year.
	If you double-click on an amount in this column, a popup window appears that lists the individual accounts that produce the amount.
Prior Year	The final balance from the prior year.
	If you double-click on an amount in this column, a popup window appears that lists the individual accounts that produce the amount.
Prior Year 2	The final balance from two years ago.
	If you double-click on an amount in this column, a popup window appears that lists the individual accounts that produce the amount.

Column	Description
Materiality assessment	The summary of whether a financial statement area is material. This check box is automatically selected if any of the check boxes in the **Overall Materiality** and **Performance Materiality** columns are selected. When you hover over this check box, a tooltip appears that displays which of the overall materiality and performance materiality check boxes are selected. This indicates why this area is material. In the client file, the engagement team can select the **Materiality assessment** check box to indicate that a financial statement area is material or clear the check box to indicate that it is not. Materiality warning indicators can be enabled in the **Financial Statement Areas Worksheet** section of the **AO - General options** document. If the planning balance is not material and the final balance is material, an ⚠ indicator appears in the **Materiality assessment** column, indicating that there is a risk of insufficient audit work. If the planning balance is material and the final balance is not material, an ⚠ indicator appears in the **Materiality assessment** column, indicating that there is a risk of over-auditing. Entering an explanation in the **Audit Response Finalisation** field removes the warning indicator.
Overall Materiality	Indicates whether the financial statement area is material based on the overall materiality. This column contains two sub-columns, **Preliminary** and **Final**: • The check box in the **Preliminary** column is automatically selected if the planning balance exceeds the preliminary overall materiality. • The check box in the **Final** column is automatically selected if the final balance exceeds the preliminary overall materiality or the final overall materiality. When you hover over a check box that has been selected, a tooltip appears that displays the calculations used to determine that the area is material. You cannot select or unselect these check boxes. To manually override the materiality for this financial statement area, select or unselect the **Materiality assessment** check box.

Column	Description
Performance Materiality	Indicates whether the financial statement area is material based on the performance materiality.
	This column contains two sub-columns, **Preliminary** and **Final**:
	- The check box in the **Preliminary** column is automatically selected if the planning balance exceeds the preliminary performance materiality or the preliminary adjusted performance materiality.
	- The check box in the **Final** column is automatically selected if the final balance exceeds the preliminary performance materiality, the preliminary adjusted performance materiality, the final performance materiality, or the final adjusted performance materiality.
	When you hover over a check box that has been selected, a tooltip appears that displays the calculations used to determine that the area is material.
	You cannot select or unselect these check boxes. To manually override the materiality for this financial statement area, select or unselect the **Materiality assessment** check box.
Specific Materiality by	Manually select the appropriate check box if the financial statement area is determined to be material for the specific circumstance:
	- Classes of Transactions
	- Account Balances
	- Disclosures
	- Other
Relevant Assertions	Right-click and select **Change Assertions** where applicable. Changes will automatically affect the **Detailed Audit Response** section in the associated work programs and in the **Risk Report** documents.
	Note: You can enable Optimiser to delete procedures from a work program associated to the FSA, if none of the procedures' assertions match the FSA's Relevant Assertions. To configure the Optimiser to delete these procedures, select the **Delete procedures based on risk thresholds in the FSA** option from the Optimiser pane of the **AO - General options** document.
Business Cycle	Right-click and select **Insert Business Cycle** or click the icon. In the **Risk** and **Control** dialogs, when the line item is selected in the Financial Statement Areas section, the associated business cycles automatically populate the dialog.
Other control processes (that impact account/disclosure)	Input area to document other considerations.

Column	Description
Inherent Risk Control Risk Residual Risk	Select from the drop-down list the assessment of risk. The assessments automatically populate the same line items in the **Risk Report** documents. The names of these risks can be changed in the **Financial Statement Areas Worksheet** section of the **AO - General options** document. **Note:** When a line item has been assigned an inherent risk assessment, you can point to the assessment to view a tooltip that may inform you that it is a default assessment. If a manually assigned inherent risk assessment has replaced a default one, the cell with the assessment features a red border.
RMM	Select the assessment of risk from the drop-down list. When this Optimiser feature has been enabled, a procedure is deleted from a work program if its Threshold value is higher than the RMM for that account and user procedure customizations have not been locked. The assessments automatically populate the **Detailed Audit Response** section in the associated work program. The name of this risk can be changed in the **Financial Statement Areas Worksheet** section of the **AO - General options** document.
Summarize the reasoning for the assessed level of risk	The inputted values automatically populate the same line items in the **Risk Report** documents. The name of this field can be changed in the **Financial Statement Areas Worksheet** section of the **AO - General options** document.

Column	Description
Audit Response Columns	If they **Include Audit Response in FSA** check box is selected in the **Financial Statement Areas Worksheet** section of the **AO - General options** document, the audit response columns specified in the document are included in the Financial Statement Areas Worksheet.
	The audit response type for each column (for example, a check box, a Yes-No response, or scoring from 1 to 5) is also defined in the **AO - General options** document.
	By default, there are four audit response columns included:
	• A. Substantive procedures - basic
	• B. Substantive procedures - extended (sampling, fraud, significant risks, etc.)
	• C. Substantive analytical procedures (proof in total, etc.)
	• D. Tests of controls (operating effectiveness)
	In the **AO - General options document**, you can rename any of these audit response columns or create additional columns.
Audit Response Finalisation	An input field in which the user can explain the audit risk response to this area. In the work program for this financial statement area, the text in this field appears in the Audit Response Finalisation row of the Audit Response Table.
	This field can be changed in the **Financial Statement Areas Worksheet** section of the **AO - General options** document.
Initial each assertion to indicate the planned audit response is sufficient to address the assessed level of risk	The data automatically populates the Detailed Audit Response section in the associated work program.
Annotate	Click to add a note, tickmark or reference annotation from the CV toolbar. ( ) or right-click and select **Annotate - Annotate.**
W/P Ref	Annotate to one or more relevant documents. Right-click and select **Insert New Reference**. Select the appropriate references to create a link to the related document.
Risk Ref.	This column displays a button when there are risks associated to the material FSA line. Clicking the button will launch the risk report document and take you to the risks for that financial statement area.

Note:

- If a mapping or group number is deleted, it is automatically removed from the Financial Statement Areas worksheet. Any document associated with this mapping or group number is marked for deletion in the **Assessment** section of the Audit Optimiser Confirmation Report.

- The **W/P Ref** column should be populated with the appropriate audit work program document.

- If foreign exchanges rates have been defined in Working Papers' Working Trial Balance, these rates are used in all balances displayed in the Financial Statement Areas Worksheet.

Procedure

5.5.1 Click **Configure** to access the configure options area.

5.5.2 Modify the configure options to suit your firm. >>Quick Reference

> **Note:** Ensure that **Include zero amount** is checked. Since the master template should not contain any balances in the trial balance, this setting will ensure that all necessary groupings display.

5.5.3 Click **Generate** , or from the **Document** menu, select **Generate**. The **Configure** options area will close automatically after generation.

5.5.4 Once generated, columns such as **Business Cycle** and **W/P ref.** can be pre-generated. Click to assign business cycles for each FSA. Right-click and select **Insert New Reference** to assign each item to a work program reference.

Configure Options

Configure options enable you to customize the Financial Statement Areas Worksheet. These options are organized into two groups:

- Refresh options, which are applied when the Financial Statement Areas Worksheet is refreshed or regenerated.

- Regenerate options, which are applied only when the Financial Statement Areas Worksheet is regenerated.

To hide the Regenerate options and disable regeneration of the Financial Statement Areas Worksheet from within client files, click to lock the Regenerate options. To unlock the options after they have been locked, click .

Author options

Option	Description
Allow columns headings to be modified.	Select to enable the ability to edit column headings in the Financial statement areas worksheet.
Allow assurance types to be modified.	Select to enable the Assurance type drop-down and select between a reasonable or limited assurance type.

Refresh options

Option	Description
Sort by Col	From the drop-down list, select the sorting order on the initial generation of the report. Click the arrow to sort in either ascending or descending order.
Planning	From the drop-down list, select the planning balance on which the Financial statement areas worksheet is to be based. Select **Current Year** to use the current year preliminary import or select **Prior Year** to use the prior year final balance.

Option	Description
Round To	From the drop-down list, select the rounding to use. Select **1's** (the default) to round to the nearest dollar, **1000's** to round to thousands, or **1,000,000's** to round to millions.
	The rounding selected from this drop-down list is used in the Financial statement areas worksheet, the Risk Report, the Partner and Manager Summary, and all work programs.
	Note: Rounding difference may occur as the apply rounding relations feature is not set.

Regenerate options

Option	Description
Include zero amount	Use the check box to include line items with zero amounts in both planning and current balances in the worksheet.
Grouping:	From the drop-down list, select the mapping / grouping used in the engagement file. The default is by Leadsheet.
Include From	From the drop-down list, select the starting point of the grouping number.
Include To:	From the drop-down list, select the ending point of the grouping number.
Mask Level	From the drop-down list, select the grouping mask level to generate. For example, say a grouping uses three levels (e.g. XXX.XXX.XXX), where the first level represents the financial statement type (Balance Sheet), the second level represents the financial statement line items (Cash and Cash equivalents), and the third represents account details (Bank - foreign). You would likely set the mask level at 2. If you are unsure of your full mapping mask, double click the cell to open a dialog that displays the mask.
Include Parent Numbers	Select this check box if you want to display the parent numbers of the group numbers specified by **Mask Level**. For example, suppose that **Mask Level** is 3, which means that group 140.101.1 is displayed. If **Include Parent Numbers** is selected, parent groups 140 and 140.101 are also displayed.

Notes:

- Leaving the **Include From** and **Include To** fields blank will generate all items.
- If the worksheet is regenerated, all details entered related to each financial statement area and assertion will be deleted. To only update the balances, users should use 🔃 **Refresh**.

5.5.1 Business Cycles

At the top of the **Financial Statement Areas Worksheet**, business cycles can be added and deleted for the master template. Business cycles represent the process that initiates, records, processes, and approves transactions and entries that comprise account balances or disclosures.

Once created, the underlying business cycles should then be attached to each financial statement area in the worksheet. You can also reference each business cycle to the relevant Control Matrix and walkthrough documents. Business cycles are also used in the assessment of internal controls.

During the engagement, business cycles and financial statement areas are used when identifying risks and controls. These properties allow the linkage of risks to controls and the assessment of internal controls.
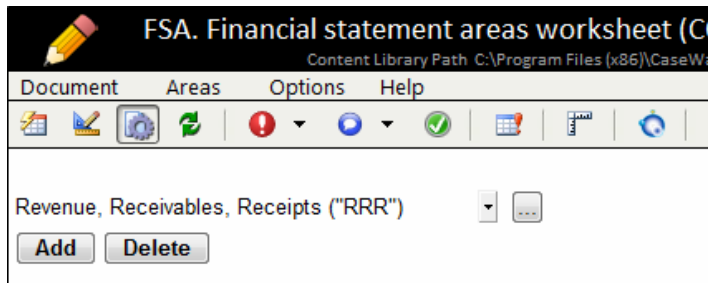
To add a business cycle:

1. To open the **Cycles** area, click .

2. Click **Add**.

3. Type the new description for the cycle and an appropriate abbreviation.

4. Click **OK**. **Tip:** Ensure that the abbreviation given is unique – you will get a warning to select an alternative abbreviation if a duplicate abbreviation is used.

To delete a business cycle, select the cycle to be deleted and click **Delete**.

Procedure

1. From the drop-down menu, select the cycle to attach the document to.

2. Click and select/deselect the relevant control matrix and walkthrough documents.

3. Click **OK**.
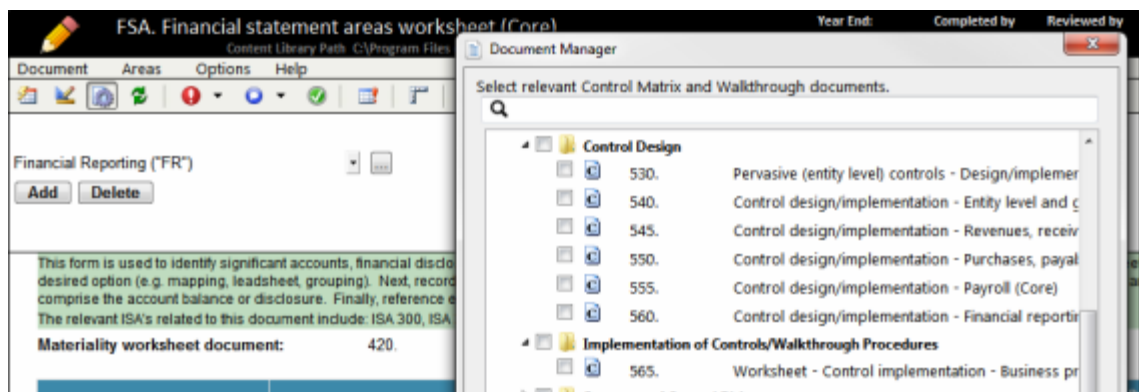
5.5.2 Materiality Worksheet Documents

The Financial Statement Areas Worksheet (FSA) automatically links to the Materiality document included with the CaseWare template. If you are using a template that has a customized materiality document included, no further customizations are required.

If your firm chooses to use an alternative document for the materiality document, key items in your custom materiality document should be saved to the CaseView database to ensure that the materiality calculations will flow through to the appropriate documents.

When creating your materiality document, the cells for the various materiality items should be saved to the CaseView database. When creating the cell, the Calculation Properties should be selected as an "Input Cell" and "External Data Access". For more information on Calculation Properties, see.

Use the external data area of the cell definition to define the parameters. In the External Data tab, the data type should be set as "Form Cell Data (Short ID)".

For more information on the External Data Tab cell parameters, see.

If you have elected to use an alternative material worksheet document, use the drop-down list in the FSA Worksheet to specify the materiality document that is used in your firm.

Procedure

5.5.2.1 Open the **FSA. Financial statement areas worksheet** document.

5.5.2.2 Within the document, modify the materiality worksheet document by clicking on the dropdown box that appears beside the text 420.

5.5.2.3 Find the alternative materiality document to use and click to select. This will change the materiality document from 420 to your materiality document.

The key materiality items that must be defined in any custom materiality document and saved to the CaseView database are as follows:

Cell Description	Group	Form	Identifier
Preliminary overall materiality	WPG	MATERIAL	VALUE
Final overall materiality	WPG	MATERIAL	FINAL
Performance materiality (PY)	WPG	PMATERIAL	PVALUE
Performance materiality (AY)	WPG	PMATERIAL	VALUE
Performance materiality (Final)	WPG	PMATERIAL	FINAL
Trivial materiality	WPG	TRIVIAL	VALUE
Materiality document value	WPG	MATERIAL	MATDOC

6 RISKS, CONTROLS AND REPORTABLE ITEMS

6.1 Introduction

The risk-based audit approach requires that engagement teams identify and assess the risks of material misstatement in financial statements. Auditors must also obtain an understanding of controls and the control environment relevant to the audit and determine whether these controls prevent or mitigate assessed risks. Audit provides auditors with the ability to create risks and manage them in risk reports as well as the ability to easily record controls, associate them to identified risks, and indicate whether the identified risks have been addressed. In addition, Audit's reportable item feature allows for the accumulation of management automatic reporting of reportable items.

In this section, we will examine how the firm can:

6.1.1   Define the properties and options for how engagement teams view and work with risks.

6.1.2   Create predefined common risks for all engagement files.

6.1.3   Link procedures to risks.

6.1.4   Import risks into the template.

6.1.5   Create risk reports and define risk report views.

6.1.6   Define the properties and options for how engagement teams view and work with controls.

6.1.7   Create predefined common controls for all engagement files.

6.1.8   Import controls into the template.

6.1.9   Create Control Matrix documents.

6.1.10 Define the properties and options for how engagement teams view and work with reportable items.

6.1.11   Create predefined common reportable items for all engagement files.

6.1.12   Create a management letter that uses reportable items.

6.2 Risks

As part of the audit process, risks must be identified for your client engagements, and your audit must be designed to address these risks.

As a Firm Author, common risks can be pre-defined in the master template to be used and modified by the engagement team in each client file. Risks can also be linked to specific audit procedures to indicate where the risk has been specifically addressed. **Note:** all risks identified are accumulated in the **Risk Reports**.

Pre-defined risks provide your engagement teams with a library of risks to help them in identifying all relevant risks to the engagement. As well, some of the fields can be completed in advance and linked to common procedures, providing further time savings at the engagement level. As a best practice, you may wish to add an identifier to the pre-defined risks in the template to differentiate them from risks identified during the engagement.

Risks appear in the following areas:

6.2.1 In the **Risk Report** document. Filters may exclude risks.

6.2.2 In the Risks Addressed or Risks Identified mini risk report at the top of work program and checklist documents. The Risks Addressed report displays risks if the document has been marked in the **Addressed** risk field or the risk is **Entity level.** The Risks Identified report displays risks if the document has been marked as the **Source**.

6.2.3 In the Risks Addressed or Risks Identified mini risk report at the top of the Financial Statement Areas worksheet. The Risks Addressed report displays **Entity level** risks. The Risks Identified report displays risks if the worksheet has been marked as the **Source**.

6.2.4 In the **Control dialog** as risks addressed, if either the financial statement area or business cycle affected in the risk match with what is selected in the control.

6.2.5 In the **Control Matrix** as the risk factors. Filters may exclude risks.

6.2.2 Adding a Risk

Prerequisites
Before adding risks, ensure **Risks** are enabled in the **AO - General options**. Also, some risks options are enabled and disabled by default. For more information, see "Defining Risk Options" on page 43.

Procedures

1. From within the applicable document, or from the Working Papers toolbar, click the Risk icon .

2. Complete the fields in the **New Risks** dialog.

3. You can click **Apply** to save changes already completed in the dialog.

4. When the information is complete, click **OK**.

Risk Dialog

Risk

New risk name *

Control
Edit association

Reportable Item
Edit association

Risk Identification

New risk name	Identifier

New risk description

What Can Go Wrong

Source/ Reference	FSA.
Financial Statement Areas	
Business Cycles Affected	

Assessment

Significant Risk Indicators	
Procedures other than Substantive	☐
Likelihood to occur	
Monetary Impact	
Inherent Risk	
Control Risk	
Potential RMM	
Residual Risk	
Overall Risk	
Significant Risk	☐
Roll forward	☑

Risk Response

Management Response

Risk treatment/mitigation	

Audit Response

Audit has properly addressed this risk	
Addressed	

Associations

Control	Reportable Item

OK	Apply	Cancel	Help

Section	Instructions
Risk Doormat Menu	Click the doormat icon ( ) to open the **Risk Doormat** menu. The menu lists risks, controls and reportable items that have been defined. You can create, delete and edit a risk, controls or reportable items from this menu.
Title	Type a description in the **New risk name** field.
Navigation Buttons	Click the arrows to display the previous and next risk. The order in which risks are displayed is specified in the risks drop-down. This field is visible only if you have accessed this dialog from within a risk report.

Section	Instructions
Risk Identification	**New risk name** Type a short description of the identified risk. **Identifier** The identifier field is automatically populated with the user ID and a sequential number so that each risks, controls and reportable items are unique. This field can be enabled in the **AO - General Options** in the master template. **New risk description** Type a detailed description of the risk. **What Can Go Wrong** Type a description of the possible impact. **Source/Reference** The Source/Reference field is automatically populated when creating the risk from within a document. **Financial Statement Areas** Click to display a list of Entity level risks and material financial statements areas (FSAs). From the dialog, select one or more items that affect the identified risk. Once the relevant items have been selected, check off the related assertions within the **Financial Statement Areas Affected** area. As the material FSAs and assertions populate from the Financial Statement Areas worksheet, the worksheet must be generated before they can be selected. **Note:** Any assertions that are not relevant to the FSA will be greyed-out. **Business Cycles Affected** Click to display a list of affected business cycles associated with the risk. The list in business cycles is defined in the **Financial Statement Areas** worksheet. **Note:** If an FSA item in the Financial Statement Areas worksheet is already associated with a business cycle through the Financial statement areas worksheet, this area will be automatically filled out with the selection of Financial Statement Areas Affected. New! **Entities** In a consolidated file, select the applicable entity the risk relates to. This field can be enabled in the **AO - General Options** in the master template.

Section	Instructions
Assessment	**Significant Risk Indicators** Click to display a list of significant risk indicators. **Procedures other than Substantive** Select to indicate if the risk requires procedures other than substantive. **Test of Controls** Select to indicate if the risk requires test of controls. **Likelihood to occur** Select the likelihood of the risk to occur from a range of 1 (low) to 5 (high). **Monetary Impact** Select the monetary impact of the risk from a range of 1 (low) to 5 (high). **Inherent Risk** Select to rank the inherent risk as high, medium or low. **Control Risk** Select to rank the control risk as high, medium or low. In **AO – General options**, you can also change the scoring system for this assessment so that you can rank it as either significant, medium, or low. **Potential RMM** Select to rank the potential RMM as high, medium or low. **Residual Risk** Select to rank the residual risk as high, medium or low. **RMM** Select to rank the RMM as high, medium or low. **Significant risk** This is automatically selected when a significant risk indicator is added to the risk. **Roll forward** Select to include the risk in the next year's file. This is automatically selected for new risks.

Section	Instructions
Risk response	**Management Response** Type the details of any response from management and any controls they have implemented to deal with the identified risk. **Risk treatment/mitigation** Conclude whether the risk has been mitigated by these controls. **Audit Response** Type the details of the detailed audit response that will respond to the identified risks and provide the evidence necessary to support the audit opinion. The detailed audit response would include the type of test that would be planned: test of control, specific procedure, substantive analytical procedure, or substantive sampling. **Audit has properly addressed this risk** Conclude whether the risk has been addressed by the audit response. **Addressed** The Addressed field is automatically populated when an item is selected from the Financial Statement Area and that item has been linked to a document in the Financial Statement Area worksheet.

Section	Instructions
Associations	**Control** Click beside Control, to add controls to the risk. The following choices appear: • Create New (item) - opens the New control dialog to create a new control • Import from RiskSpace - adds controls from the CaseWare Working Papers RiskSpace. • Import from File - imports controls from a template or other source file, using the import controls dialog. • Edit Association - uses an existing control. A dialog appears that lists the controls that have already been added to this client file. From the dialog, select one or more controls to be associated with this risk. This option is available only if you have enabled controls in the **AO - General Options** document. **Reportable Item** Click beside Reportable Item, to add reportable items to the risk. The following choices appear: • Create New (item) - opens the New reportable item dialog to create a new control • Import from RiskSpace - adds reportable items from the CaseWare Working Papers RiskSpace. • Import from File - imports reportable items from a template or other source file, using the import controls dialog. • Edit Association - uses reportable items. A dialog appears that lists the reportable items that have already been added to this client file. From the dialog, select one or more reportable items to be associated with this risk. This option is available only if you have enabled reportable items in the **AO - General Options** document.

Importing individual risks

As the firm author, you can import risks from any other template or from any existing client file.

To import risks from another template or file:

5. Open any work program, checklist, or document that contains the New Risk drop-down.

6. From the New Risk drop-down, select **Import Risks**.

7. To import risks from a template, select the **Templates** radio button and select a template from the drop-down. To import risks from a file, select the **Other Source Files** radio button and click **Browse**.
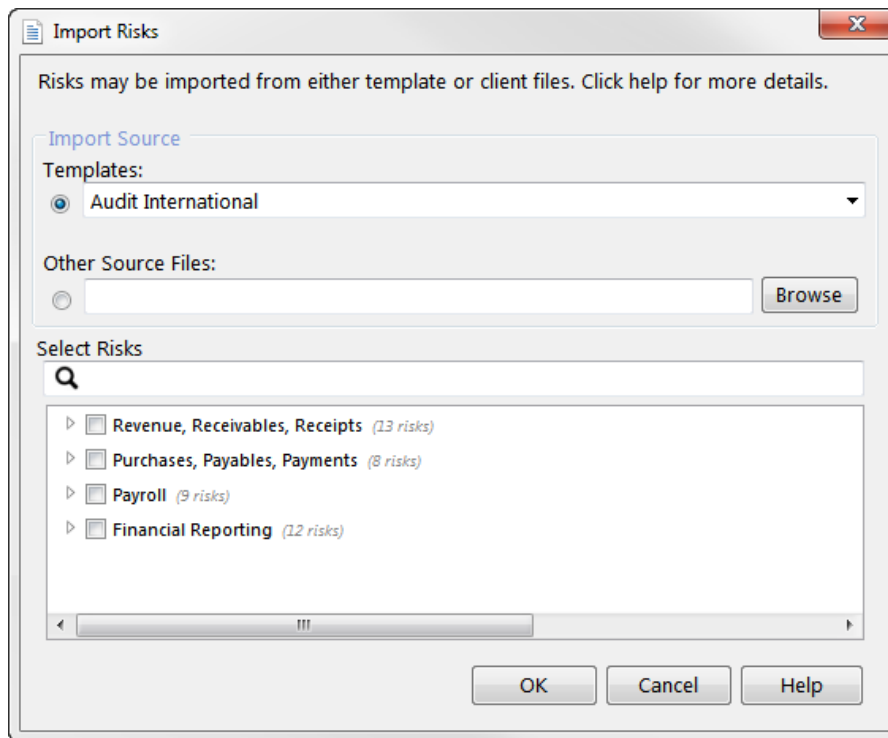
8. If you have clicked **Browse** to select a source file, use the file locator window to select the file that you want to import risks from. Click **Open**.

9. The Import Risks dialog now lists all the risks in the file that you have opened, organized by business cycle. Select the check box next to a business cycle folder to import all risks for that business cycle or select the check box for a risk to import it. You can import as many risks as you like.

    Note: Risks that already exist in your new client file are displayed in gray and in italics and cannot be re-imported.

10. Click **OK**.

11. The New Risk dialog appears, enabling you to edit the risks that you have imported (or any risk that you have identified). To edit a specific risk, select it from the drop-down list at the bottom of the dialog.

Note:

- If a risk that is displayed in the Import Risks dialog is not associated with a business cycle, it is contained in a folder named **Other**.

- If the imported risk links to one or more material financial statement areas or Entity level risk categories in the source location, the links are preserved, provided the financial statement areas or Entity level risk categories exist in the client file or template into which the risk is being imported.

- If the imported risk links to one or more Significant Risk Indicators in the source location, the links are preserved, provided the Significant Risk Indicators exist and the feature is enabled in the destination file.

Importing risks from CaseWare Working Papers RiskSpace

CaseWare Working Papers RiskSpace is an online community that provides free content to help you identify risks. You can import risks from CaseWare Working Papers RiskSpace into your template.

To import risks from CaseWare Working Papers RiskSpace:

12. Open any work program, checklist, or document that contains the New Risk ![icon] drop-down.

13. From the New Risk drop-down, select **CaseWare Working Papers RiskSpace**. The CaseWare Working Papers RiskSpace Risks dialog appears, in which you can select risks
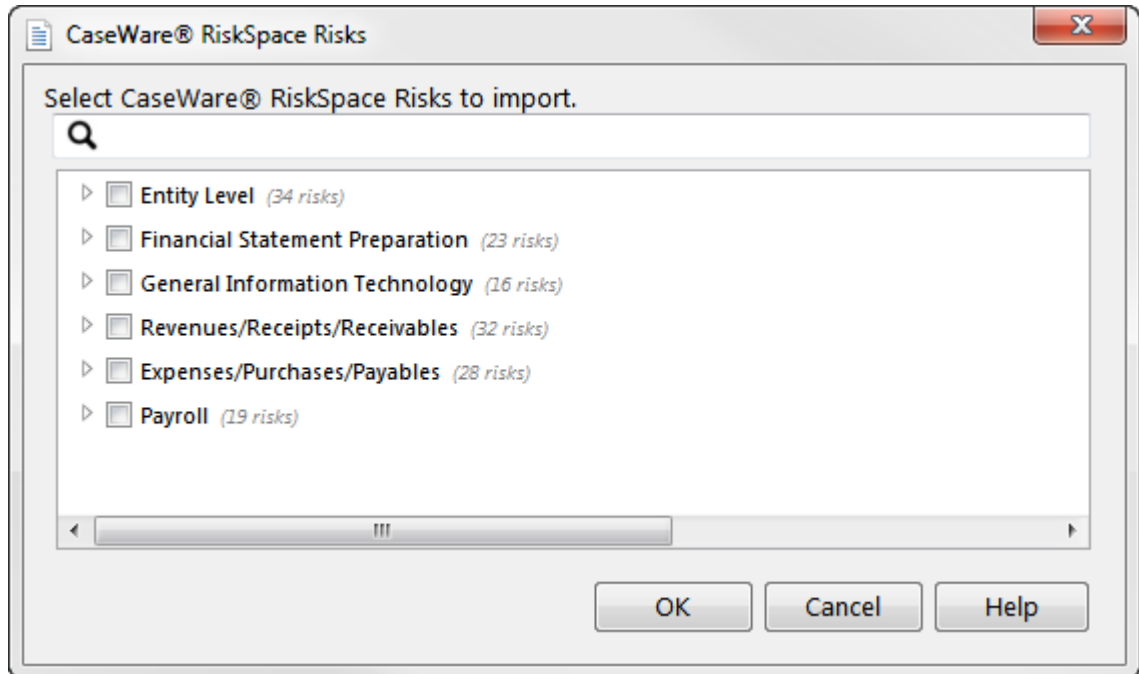
to import.

14. Select the check box next to a folder to import all the risks that it contains.

15. To import individual risks from a folder, expand the folder and select the check box next to the risk to be imported.

16. When you have finished selecting risks to import, click **OK**.

17. The New Risk dialog appears, enabling you to edit the risks that you have imported. To edit a specific risk, select it from the drop-down list at the bottom of the dialog. You can also click ![<] or ![>] to move to the previous or next risk to be edited.

18. Click **OK** to import the risks into your template.

Linking Procedures to Risk

Specific procedures in work programs and checklists can be linked to risks to document how the risk was addressed in the audit. You must be in the appropriate work program or checklist document to link procedures, and the document must be included in the **Addressed** field in the Risk dialog. Once linked, risks appear beside the linked procedures within work program or checklist documents. As well, the linked procedures appear with the corresponding risks in the Risk Report under the Audit Response column.

You can link procedures from the Risk dialog or at the procedure level within the work program or checklist document.

Note: Once a procedure and a risk are linked, this link is maintained even if the risk is removed from the file and re-inserted.

Link audit procedures from the mini risk report

19. Open the work program or checklist document.

20. Insert the mini risk report at the top of the work program or checklist if it is not already inserted. To insert the risk report, select **Risk Report** from the **Areas** menu.

21. Click on a risk appearing in the mini risk report at the top of the **Revenues - Audit Procedures** document. The **Link procedures** menu button will be enabled.

22. Click the **Link procedures** menu button to launch the **Procedures** dialog.

23. Mark the procedures by selecting the relevant checkboxes and click **OK**.
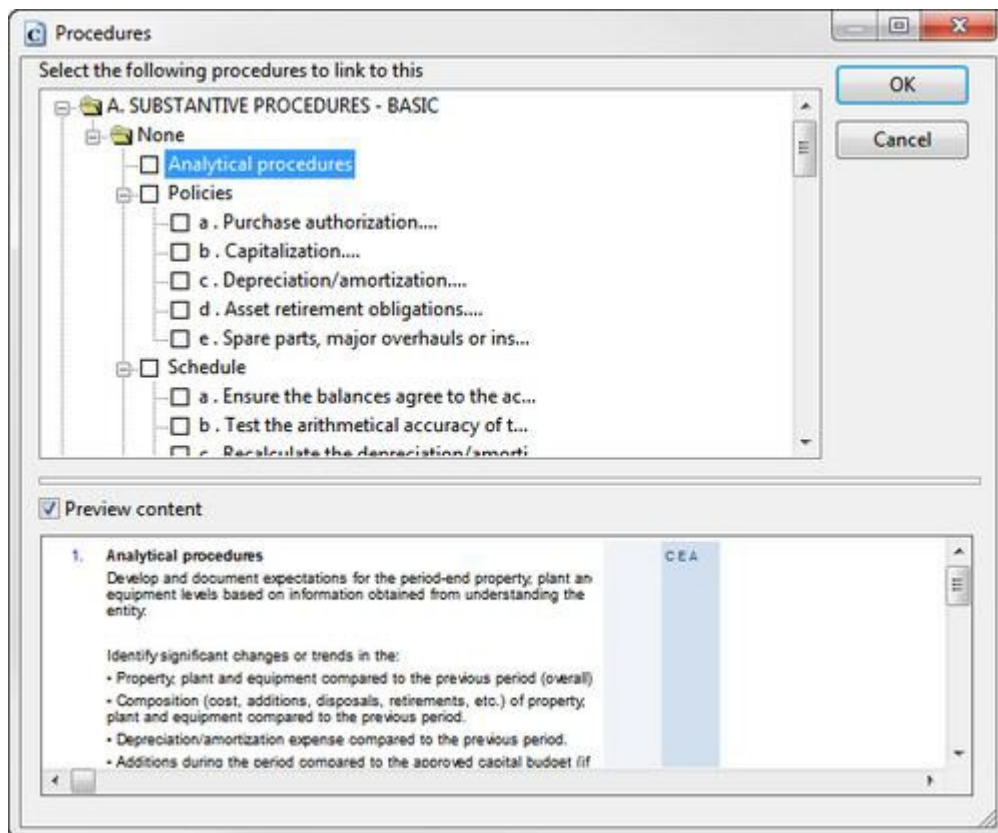
Once a procedure is selected, the **Addressed** reference field in the risk dialog will automatically reference the current work program or checklist if it has not already been manually selected.

Note: Once a procedure and a risk are linked, this link is maintained even if the risk is removed from the file and re-inserted.

To link risks from the procedure within the work program or checklist document:

1. Open the work program or checklist.

2. Insert the mini risk report at the top of the work program or checklist if it is not already inserted. To insert the risk report, select **Risk Report** from the **Areas** menu.

3. Place the cursor on the procedure to link the risks to and click (Link Risks to A Procedure) on the top button bar.

4. Select the risks applicable for the procedure. Once done, click **OK**.

Note: Once a procedure and a risk are linked, this link is maintained even if the risk is removed from the file and re-inserted.

Risk Report

As you accumulate risks, you can view, edit or copy them in the **Risk Report**. This report summarizes risks in various views and includes procedure responses.

In the Risk Report, shading is used to highlight risks that are more severe. The colors used, in order from least severe to most severe: white (least severe), grey, violet, magenta, scarlet, bright red (most severe).

Different **Views** can be created and saved by selecting various **Filters**, applying a **Layout**, adding and removing columns, and changing column widths.

To add or remove columns for display, right-click the risk report and check or uncheck the column name.

To resize the columns in the Risk Report Table, click the ruler button 📏. Click on the worksheet heading that you wish to resize, then drag the bars on the ruler.

Once **Filters** and **Layouts** have been applied, the **View** can be saved and become available from a drop-down list. Firms can define custom views and use the drop-down to save these views. Auditors can then easily view risk reports and include them in the documentation of risk analysis in their engagement files.

Creating and Modifying Risk Reports

Customized risk report views created in one risk report will be available to all other risk reports.

Note:

- The firm can decide to include columns for Assets, Liabilities and Income Statement in the General Risk Options dialog. The Risk Report Assertion Details option, under Available Properties, is deselected by default, meaning only the assertions will be displayed in the Risk Report (no assets, liabilities or income statement). To display these columns in the Risk Report simply select the option. However, if the firm does not use ratio class only one column assertion will appear in the risk report.

- All columns are included in the risk report in the default view that may exceed a page. Some suggested print views are available from the default menu. You can edit either of these print views or create a new view and define the columns you wish to print on each page.

- Utilize CaseView's split screen function to keep headings stationary as you scroll. On the Windows menu, select Split Vertically or Split Horizontally. Drag the dotted line to the desired split location. For more information, refer to CaseView's Help.

To add customized introduction and conclusion text to a risk report:

24. Open the risk report.

25. Click on the input area below the introduction guidance area and type the introduction text.

26. Click on the input area below the conclusion guidance area and type the conclusion text.

27. If these sections are not needed, from the **Options** menu, unselect **Display Custom Introduction and Conclusion** to hide the section.

6.3 Controls

As firm author, common controls can be predefined in the master template to be used and modified by the engagement team in each client file. Controls can be added from any template-specific document, including work programs and checklists. Each control can also be associated to identified risks as part of determining whether risks have been mitigated or prevented.

6.3.2 Adding a Control

Prerequisites

Before adding controls, ensure **Controls** are enabled in the **AO - General options**. Also, some risks options are enabled and disabled by default. For more information, see "Defining Controls Options" on page 43.

Procedures

6.3.2.1   From within the applicable document, or from the CaseWare toolbar, click the **Control** icon 🔵.

6.3.2.2   Complete the fields in the New Control dialog.

6.3.2.3   You can click **Apply** to save changes already completed in the dialog without closing it.

6.3.2.4   When the information is complete, click **OK**.

6.3.3 Controls Dialog

Note: Some options in the dialog may not be available as they are disabled by your firm author.

Section	Instructions
Control Doormat Menu	Click the doormat icon () to open the **Control Doormat** menu. The menu lists risks, controls and reportable items that have been defined. You can create, delete and edit a risk, controls or reportable items from this menu.
Title	Type a description entered in the **New control name** field.
Navigation Buttons	Click the arrows to display the previous and next controls.
Control Documentation	**New control name** Type a short description of the identified control. **New control description** Type the detailed description of the control. **Identifier** The identifier field is automatically populated with the user ID and a sequential number so that each risks, controls and reportable items are unique. This field can be enabled in the **AO - General Options** in the master template. **Financial Statement Areas** Click to display a list of entity level risks and material financial statements areas (FSAs). From the dialog that appears, select one or more items that affect the identified risk. Once the relevant items have been selected, check off the related assertions within the Financial Statement Areas Affected area. As the material FSAs and assertions populate from the Financial Statement Areas worksheet, the worksheet must be generated before they can be selected. Note: The master template lists all the FSAs, whereas the engagement client file lists only the material FSAs. **Business Cycles Affected** Click to display a list of affected business cycles associated with the risk. The list in business cycles is defined in the Financial Statement Areas worksheet. Note: If an FSA item in the Financial Statement Areas worksheet is already associated with a business cycle through the Financial statement areas worksheet, this area will be automatically filled out with the selection of Financial Statement Areas Affected.

Section	Instructions
Attributes	**Maturity Level** Select to rank the maturity level of the control from a range of 1 (low) to 5 (high). **Indirect Control** Select to indicate whether the control is dependent upon other controls. **Manual / Automatic** Select to indicate whether the control is a manual or an automatic control. **Frequency of control** Select to indicate how frequent the control is being applied. **Key control** Select to indicate whether the control provides reasonable assurance that material errors will be prevented or detected in a timely manner.
Evaluate Control Environment	**Supporting Working Papers** Click to open a listing of documents in the Document Manager. In this dialog, select applicable supporting documents from Working Papers. Control Design Select to indicate whether the control design is satisfactory or unsatisfactory. **Evaluation Results** Select to Indicate whether the control environment was satisfactory or unsatisfactory. **Changed Since Previous Evaluation** Select to indicate whether the control is identical with the previous year or has been changed. **Roll forward** Select to include the control in next year's file. This is selected by default for all new controls.
Test of controls	**Test Control** Select to indicate if a control is to be tested or in which period it was last tested. Tests of control are used to gather evidence of the operational effectiveness of internal control procedures. It may be appropriate to use audit evidence about the operating effectiveness of controls obtained in previous audits. **Supporting Working Papers** Click to open a listing of documents in the Document Manager. In this dialog, select applicable supporting documents from Working Papers. **Control is Effective** Select to indicate whether the control is effective, not effective or not tested.

Section	Instructions
Associations	**Risk** Click beside Risk, to add risk to the control. The following choices appear: • Create New (item) - opens the New risk dialog to create a new risk • Import from RiskSpace - adds risks from the CaseWare Working Papers RiskSpace. • Import from File - imports risks from a template or other source file, using the import controls dialog. • Edit Association - uses an existing risk. A dialog appears that lists the controls that have already been added to this client file. From the dialog, select one or more controls to be associated with this risk. **Reportable Item** Click beside Reportable Item, to add reportable items to the risk. The following choices appear: • Create New (item) - opens the New reportable item dialog to create a new control • Import from RiskSpace - adds reportable items from the CaseWare Working Papers RiskSpace. • Import from File - imports reportable items from a template or other source file, using the import controls dialog. • Edit Association - uses reportable items. A dialog appears that lists the reportable items that have already been added to this client file. From the dialog, select one or more reportable items to be associated with this risk. This option is available only if you have enabled reportable items in the **AO - General Options** document.

6.3.4 Importing individual controls

As the firm author, you can import controls from any other template or from any existing client file.

To import controls from another template or file:

6.3.4.1   Open any work program, checklist, or document that contains the New Control drop- down.

6.3.4.2   From the New Control drop-down, select **Import Controls**.

6.3.4.3   To import controls from a template, select the **Templates** radio button and select a template from the drop-down. To import controls from a file, select the **Other Source Files** radio button and click **Browse**.

6.3.4.4   If you have clicked **Browse** to select a source file, use the file locator window to select the file that you want to import controls from. Click **Open**.

6.3.4.5   The Import Controls dialog now lists all the controls in the file that you have opened, organized by business cycle. Select the check box next to a business cycle folder to import all controls for that business cycle or select the check box for a control to import it. You can import as many controls as you like.

Note: Controls that already exist in your new client file are displayed in gray and in italics and cannot be re-imported.

6.3.4.6   Click **OK**.

6.3.4.7   The New Control dialog appears, enabling you to edit the controls that you have imported. To edit a specific control, select it from the drop-down list at the bottom of the dialog.

Note:

- If a control that is displayed in the Import Controls dialog is not associated with a business cycle, it is contained in a folder named **Other**.

- If the imported control links to one or more material financial statement areas or Entity level risk categories in the source location, the links are preserved, provided the financial statement areas

or Entity level risk categories exist in the client file or template into which the control is being imported.

CaseWare Working Papers RiskSpace is an online community that provides free content to help you identify controls. You can import controls from CaseWare RiskSpace into your template.

To import controls from CaseWare Working Papers RiskSpace:

1. Open any work program, checklist, or document that contains the New Control 🔵 drop-down.

2. From the **New Control** drop-down, select **CaseWare Working Papers RiskSpace**. The CaseWare Working Papers RiskSpace Controls dialog appears, in which you can select
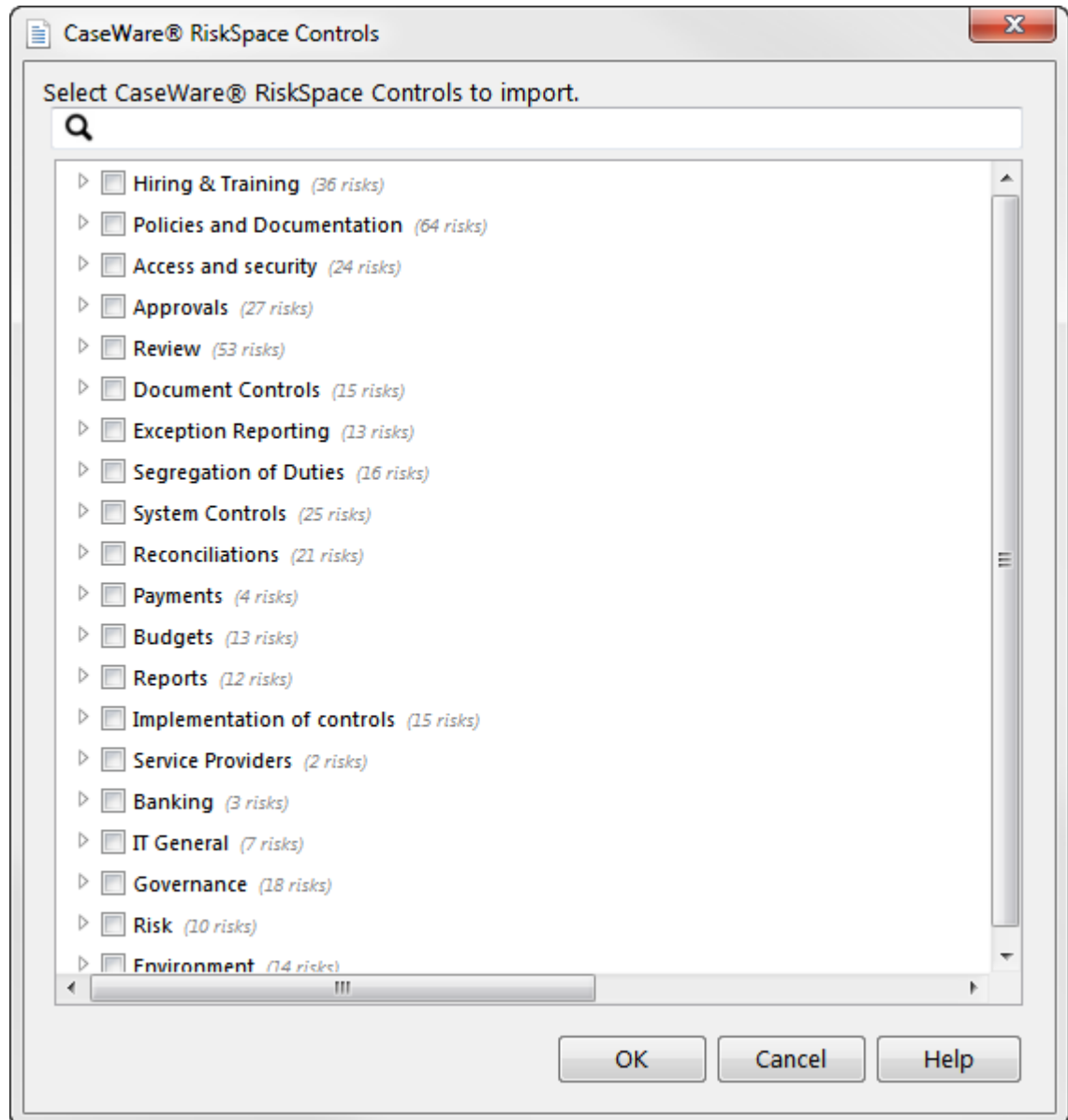
controls to import.

3. Select the check box next to a folder to import all the controls that it contains.

4. To import individual controls from a folder, expand the folder and select the check box next to the control to be imported.

5. When you have finished selecting controls to import, click **OK**.

6. The **New control** dialog appears, enabling you to edit the controls that you have imported. To edit a specific control, select it from the drop-down list at the bottom of the dialog. You can also click ⬅ or ➡ to move to the previous or next control to be edited.

7. Click **OK** to import the controls into your template.

6.3.5 Control Matrix

As controls accumulate in an engagement, users can view, edit or copy controls in the **Control Matrix**. The **Control Matrix** provides a quick and useful view, by business cycle or Financial Statement area, of the controls and the associated risks that are prevented or detected.

Depending on your jurisdiction, you master template may include several predefined **Control Matrix** documents. You can edit these documents or create additional Control Matrix documents to view controls in a variety of combinations.

The bottom row of the **Control Matrix** lists, for each risk factor, whether the control procedures mitigate the risk. Possible values are **Yes**, **Some**, and **No**. If the Control Matrix is displayed in vertical presentation, these are abbreviated to **Y**, **S**, and **N**. The engagement team makes this selection within each risk.

6.3.6 Control Matrix Customization

Firm authors can add customized introduction and conclusion text to each control matrix.

To customize the introduction and conclusion:

6.3.6.1   In the document manager, find the applicable **Control matrix** document you want to customize and open it.

6.3.6.2   Click in the input area below the introduction guidance text and type your introduction.

6.3.6.3   Click in the input area below the conclusion guidance text and type your conclusion.

6.3.6.4   If the custom introduction and conclusion are not needed, from the **Options** menu, unselect **Display Custom Introduction and Conclusion**. This will hide the introduction and conclusion.

Note: The engagement team can choose to display or hide the introduction and conclusion.

To resize the columns in the Control Matrix table:

1. Click the ruler button .
2. Click anywhere in the control matrix table.
3. Drag the bars on the ruler.

6.3 Reportable Items

As part of the client engagement process, the engagement team may identify issues or items that require reporting to management or other parties charged with governance. 's Reportable Item feature allows for the accumulation, management and automatic reporting of reportable items.

Record reportable items as they are identified throughout the engagement process by clicking in any work program or checklist document, and from other selected forms. This displays the **New reportable item** dialog, which enables you to select the applicable reportable item attributes, add recommendations, and link each item to specific letter types. If you do not need reportable items for your client files, you can disable them in the **AO - General Options** document.

Reportable items identified throughout the engagement can be accumulated in the Management Letter Report. From within the Management Letter Report, reportable items can be created, copied, and edited.

Management letters can be created that automatically link and generate with the appropriate reportable items.

6.3.7 New Reportable Item Dialog

Note: Some options in the dialog may not available as they are disabled by your firm author.

Section/Buttons	Description
Reportable Item Doormat Menu	Click ▦ to open the Reportable Item Doormat menu. The menu lists risks, controls and reportable items that have been defined. You can create, delete and edit a risk, controls or reportable items from this menu.
Title	Displays the description entered in the **New reportable item name** field.
Navigation Buttons	Display the previous and next reportable item. The order in which risks are displayed is specified in the risks drop-down. This field is visible only if you have accessed this dialog from within a risk report.

Section/Buttons	Description
Reportable Item	**New reportable item name**
	Type a short description of the reportable item. This short description appears in the document 360. - Management letter report and by the letters linked to specific reportable items.
	Observation/Weakness
	Type a description for the observation or weakness for which the reportable item has been created.
	Identifier
	Type an alphanumeric identifier.
	Weakness
	Type an additional description for the weakness for which the reportable item has been created.
	Another reportable item
	Select if the reportable item is not a Current Finding or a Previous Finding. When this check box is selected, the Associated Controls, Associated Risks and Add Recommendation fields are hidden.
	Source
	Click to open a link to the original source document where the reportable item was identified in the Document Manager dialog. The source/reference is automatically populated when adding a reportable item inside a document. **Note:** You can link a specific procedure to a reportable item by clicking near the work program.
	Addressed
	Click to add a reference link to where the audit work was completed to address the reportable item.
	Status
	Select the status of the reportable item to assist in tracking the reportable item.

Section/Buttons	Description
Recommendation and Response	**Add Recommendation** Click ✎ beside the reportable item name, to add recommendations. When you click button the following choices appear: • Create New (item) - opens the New Recommendation dialog and create a new recommendation • Import from RiskSpace - adds a recommendation from the CaseWare Working Papers RiskSpace Management Letter Points dialog • Import from File - - imports risks from a template or other source file, using the Import Reportable Items dialog. • Edit Recommendation - edits an existing recommendation. A dialog appears that lists the recommendations that have already been added to this client file, select a recommendation to edit and click OK. When you have selected the recommendations to add to the reportable item, you can then select the letters that are to contain the reportable item and the recommendations. **Management Response** Type the details of any response from management and any controls that have been implemented with respect to the reportable item. **Reason** Type the reason for choosing this response for the reportable item. **Roll forward** Select to include the reportable item in next year's file. This is selected by default.
Letter Structure	**Year Identified** Select from current or prior year in which the reportable item was identified. **Classification** Select the grouping to use. This can be left blank or can be any defined business cycle. **Rating** Select the rating for this reportable item. The firm author specifies the list of available ratings. **Grouping** Select the grouping to use. This can be left blank or can be any defined business cycle.

Section/Buttons	Description
Associations	**Risks** Click ⬛ beside Risk, to add risk to the control. The following choices appear: • Create New (item) - opens the New risk dialog to create a new risk • Import from RiskSpace - adds risks from the CaseWare Working Papers RiskSpace. • Import from File - imports risks from a template or other source file, using the import controls dialog. • Edit Association - uses an existing risk. A dialog appears that lists the controls that have already been added to this client file. From the dialog, select one or more controls to be associated with this risk. **Controls** Click ⬛ beside Control, to add controls to the risk. The following choices appear: • Create New (item) - opens the New control dialog to create a new control • Import from RiskSpace - adds controls from the CaseWare Working Papers RiskSpace. • Import from File - imports controls from a template or other source file, using the import controls dialog. • Edit Association - uses an existing control. A dialog appears that lists the controls that have already been added to this client file. From the dialog, select one or more controls to be associated with this risk.

6.3.8 Management Letter Report

The management and presentation of audit findings can be organized into a collection of reportable items. The **Management Letter Report** document displays these findings in an easy-to-view format.

You can use the Management Letter Report to keep track of what findings are to be published to various types of letters, or to keep track of other significant issues. By default, the letters that are tracked are the management letter and the report for those charged with governance. The list of letters to be tracked can be added to or changed in the **AO - General options** document.

As the Firm Author, you can add reportable item letters (such as a management letter) populated with each reportable item type in the master template, to be used and modified by the engagement team in each client file, or you can let the engagement team create their own.

To create a new reportable item letter:

6.3.8.1 From the Document Manager, open the **New Master Documents** folder.

6.3.8.2 Right-click the **MGTLETTER Sample management letter** document and select

Copy. **Note:** Only this document can be used with reportable items.

6.3.8.3   Right-click the location in the Document Manager for the new management letter and select **Paste**.

6.3.8.4   Right-click the new document and select **Properties**.

6.3.8.5   Change the document **Number** and **Name** and click **OK**.

6.3.8.6   Open the new document and click the **Configure**( ) icon.

6.3.8.7   Select applicable options and areas to display for your letter.

These letter types are defined in the General Reportable Item options.

6.3.8.8 Click the **Refresh** button to populate the letter with the specified settings and for pre-defined reportable items.

Note: Selecting **Refresh** will overwrite any changes to reportable items that have been modified. Any changes to the text of reportable items must be made to the reportable item by selecting each item from within the letter or from the **360. Management letter report Significant Deficiencies/Material Weakness/Other Deficiency Reports**.

Each letter has the following properties that the author can define:

Structure:			Additional areas:	
Changes are applied upon refreshing.			Choose sections to be shown.	
Letter Type	Management letter report	▾	Cover Page	☐
Ordering			Table of Contents	☐
	⌃ Classification		Summary of Detailed Audit Findings	☐
	Grouping		Display Reportable Item Headings	☑
	⌄ Rating		Display Note Number in Headings	☑
			Display Reportable Item Identifiers	☐

Property	Description
Structure	Click to lock configuration structure settings to prevent other authors from performing modifications.
Letter Type	Select an applicable letter type. Available types include: Management Letter, Report for those charged with governance, Internal audit.
Ordering	Click an option and then the up and down arrows to change the ordering sequence.
Additional Areas	Click to lock areas settings to prevent other authors from performing modifications.
Cover Page	Select to add a cover page to the Management Letter.
Table of Contents	Select to add a table of contents to the Management Letter.
Summary of Detailed Audit Findings	Select to add a summary of detailed audit findings section to the Management Letter
Display Reportable Item Headings	Select to display reportable item headings that are selected to display in the Management Letter.

Property	Description
Display Note Number in Headings	Select to display note number references in reportable items headings.
Display Reportable Item Identifiers	Select to display reportable item identifiers that are selected to display in the Management Letter.

Note: When note number headings are skipped or not displayed, the tabs in the Management Letter will automatically adjust its alignment.

7 **OPTIMISER**

7.1 Introduction

The **Optimiser** enables the engagement team to build a better and customized engagement file by removing unnecessary default documents, risks, controls, and work program and checklist procedures based on responses to predefined questions and RMM thresholds.

The **Optimiser** is an optional component that must be enabled and configured prior to releasing the master template. To activate the **Optimiser**, open the **AO - General Options** document from the master template. Select the Optimiser option and select the appropriate check boxes.

In this section, we will examine the following components of the **Optimiser**:

- Using Optimiser checklist documents and defining procedure actions to remove default documents, work program and checklist procedures, risks and controls from the client file based on **User** responses.

- Using the **Financial Statement Areas (FSA) worksheet** to remove default documents from the client file based on the engagement's **Overall Materiality**.

- Removing work program document procedures based on the assigned **Risk Thresholds** and the client file's assessed **RMMs** by assertions.

The Optimiser feature enables the Engagement team to enhance or customize the template program by removing:

- Unnecessary documents,

- Risks that are not applicable for the client,

- Work program procedures that do not meet the assessed level of risk for the financial statement area, and

- Procedures from checklists or work programs based on checklist responses.

The table below lists the capabilities that you, as the Firm Author, can include in the Optimiser. Each option can be selected or unselected as needed.

Optimiser options:

Option	Description
Financial statement areas worksheet (FSA)	
Delete documents based on materiality in the FSA	This option deletes documents if the financial statement area is not material (as determined in the materiality assessment) in the FSA worksheet. Only documents associated in the Working Papers reference (W/P ref. column) are affected. Optimiser includes all documents suggested for deletion in the Audit Optimiser Confirmation Report.

Option	Description
Delete procedures based on risk thresholds in the FSA	This option deletes procedures if the assigned risk threshold is higher than the determined risk for the financial statement area in the FSA worksheet. When selecting this option, procedures are also deleted if their assertions are not included in the list defined in the FSA worksheet. Documents must be associated to the financial statement area in the W/P ref. column of the FSA worksheet.
Delete procedures based on audit responses in the FSA	This option deletes groups of procedures by assertion based on the audit response. Rather than manually deleting individual procedures, use this option to automate the process.
Optimiser Checklist	
Delete documents based on checklist responses	This option deletes documents by document tags based on the checklist response. You must enable document deletion in procedure actions and then proceed to define an action for deleting documents with or without specific tags. The action is triggered when your checklist response matches the recommended action.
Delete procedures based on checklist responses	This option deletes procedures by procedure tags based on the checklist response. You must enable procedure tagging in documents and procedure deletion in procedure actions, and then proceed to define an action for deleting procedures with or without specific procedure tags. The action is triggered when your checklist response matches the recommended action.
Delete risks based on checklist responses	This option deletes risks and controls in the master template based on the checklist response. You must enable risk and control deletion in procedure actions, and then proceed to define an action for deleting specific risk and controls in the master template. This action is triggered when your checklist response matches the recommended action.
Other	
Insert procedures linked to a risk	This option inserts procedures into documents based on risk. You must link the procedure to a risk. This action is triggered when you open a document linked to that risk (the procedure is then automatically inserted) **Note:** This option is only available when **Risks** is enabled in **AO	General Options.**
Delete industry specific documents	This option deletes all documents that are not related to the industries specified in the client file.
Delete unassociated controls	This option deletes all controls that are not associated with any of the defined risks

Note: When procedure actions are defined in a checklist, the 🖍 icon displays at the top left of the document and Optimiser will not delete any tagged procedures.

7.2 Optimiser Checklist Documents

As part of setting up the **Optimiser**, the Firm Author can create or use existing checklist documents to remove specific default documents, work program or checklist procedures, pre-defined risks and controls from the engagement client file based on **User** responses.

You can set the components to be deleted from the Optimiser pane of the **AO - General options** document, under **Optimiser Checklist**.

Optimiser Checklist

Delete documents based on checklist responses:	☑
Delete procedures based on checklist responses:	☑
Delete risks based on checklist responses:	☑

Note: The template provides the **Optimiser checklist** documents that include predefined questions, set to mark associated documents for deletion based on the engagement teams' answers.

For each procedure in a checklist document, you define **Procedure Actions** where you specify the default documents, procedures, Controls and Risks to delete based on a selected **User** response.

Before defining **Procedure Actions** to delete documents, you must create and assign document **Tags** from the Document Manager. To create and add a document tag, right-click the document from the **Document Manager** and select **Tags**. For more information on **Tags**, view the Working Papers Tags help.

Tags

New

Unassigned

(+Audit) (+Condensed)
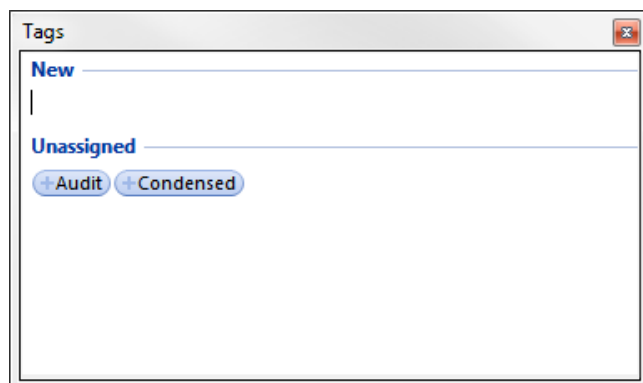
Before defining **Procedure Actions** to delete work program or checklist procedures, you must create and assign **Tags** in the applicable document. To create and add a procedure tag, right-click on the procedure and select **Tag Procedures**.
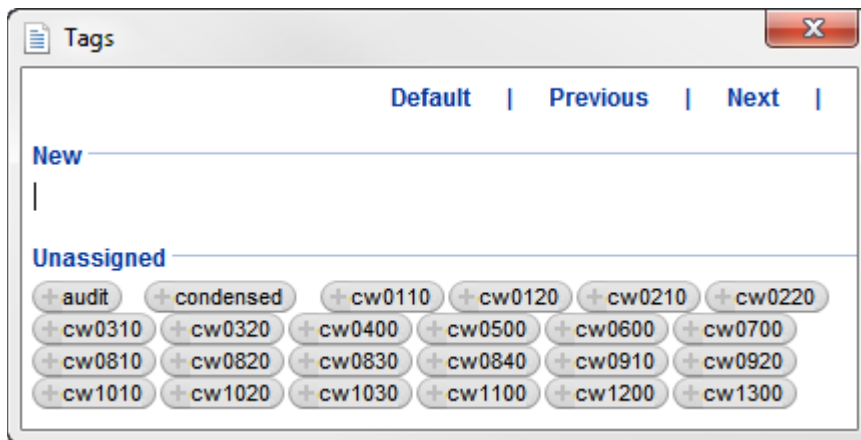
You can set a condition on a procedure to delete or insert procedures based on a response or calculation.

Procedure conditions are best used in cases where:

- Impact of a response is limited to one, or a few, individual procedures,
- Condition is dependent on more than a "yes" or "no" type of response and,
- Relevant factors in procedure conditions (responses, calculations) are not known or completable at the beginning of the engagement.

Procedure

1. In a checklist or work program, right-click on a procedure and select **Edit Procedure Condition** to open the corresponding dialog.

2. Fill in the procedure conditions.
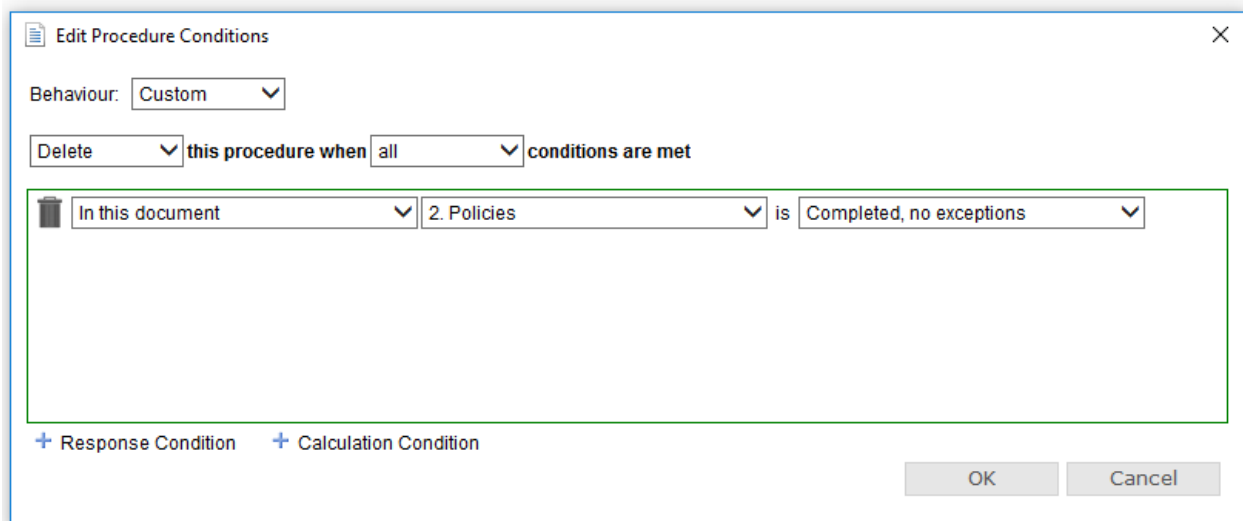
Field/Option	Instructions

Field/Option	Instructions
Behavior	Select **Custom** to create the procedure condition.
	Select to delete or insert the procedure based on any or all conditions are met.
Condition List	Click on **Response Condition** or **Calculation Condition** to add conditions to the list or edit existing conditions.
Response Condition	Select the checklist/work program document, the procedure, and the response to the procedure that will cause the behavior to occur from the provided drop-down menus.
	Click 🗑 to delete the condition.
Calculation Condition	Enter a valid CaseView calculation and whether the calculation needs to be less than, equal to, or greater than a specified value for the behavior to occur. For more information on CaseView calculations, please refer to the CaseView Help.
	Click 🗑 to delete the condition.

3. Click **OK** to add the conditions. An icon (👁) appears beside the procedure to indicate there is a condition.

7.3 Financial Statement Areas Worksheet and Materiality

The **Optimiser** can use the **Financial Statement Areas (FSA) Worksheet** to remove default documents from the engagement client file based on the engagement's assessed **Materiality**. You can enable this option from the **AO - General options** document and selecting **Delete documents based on materiality in the FSA** in the Optimiser pane.

The documents referenced to financial statement area items that are not material are selected for removal and included in the **Audit Optimiser Confirmation Report**. As well, documents in the same folder as the associated documents in the Document Manager will also be suggested for removal.

Within a client file, once the engagement team determines the **Materiality assessment** and refreshes the FSA Worksheet, the **Optimiser** will automatically suggest that the **W/P ref.** documents associated with non-material financial statement area items be removed.

Group Number	Accounts/disclosures or other matters considered significan	Financial Statement Balances					Materiality assessment	W/P ref.
		Planning Balance as of 26/04/2013	Final Balance	Prior Year	Unrecorded AJEs	Prior Year 2		
	Entity level and IT general weaknesses and controls							
⊞ 1	Property, plant and equipment	15,000	15,000	10,000	$-	8,000	☑	1.101
⊞ 5	Investment property	10,000	10,000	8,000	$-	7,000	☑	5.101
⊞ 10	Intangible assets and goodwill	7,000	7,000	8,000	$-	7,000	☑	10.101
⊞ 15	Biological assets - non-current	13,000	13,000	8,000	$-	7,000	☑	⊕
⊞ 20	Investments	7,000	7,000	7,000	$-	7,000	☑	20.101

As well, documents in the same folder as the associated documents in the Document Manager will also be suggested for removal. For example, where **Investment Property** is found to be not material, the associated document **5.101** and all other documents in the same folder will be suggested for deletion.
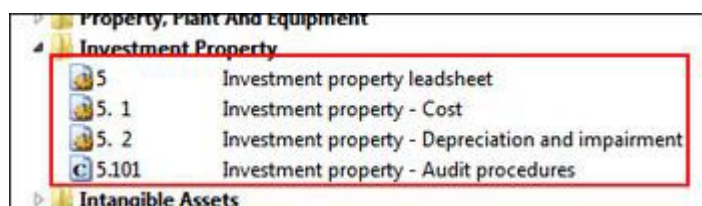
Optimiser includes all documents suggested for removal in the **Audit Optimiser Confirmation Report** where the engagement team can confirm their deletion. Where all documents in a folder have been confirmed for deletion, the folder will also be removed.

As the Firm Author, you should pre-generate the **FSA Worksheet** in the master template and associate the appropriate work program to each financial statement area item. This will save time and provide consistency across all client files. For more information on the **FSA Worksheet**, refer to the **Financial Statement Areas Worksheet** section.

7.4 Risk Thresholds

The **Optimiser** can automatically remove work program procedures based on the **Risk Threshold** assigned by the **Firm Author** and the **RMMs** by assertions assessed by the engagement team. As part of this option, Optimiser will automatically remove work program procedures whose assertions are not listed in the list of assertions specified for a financial statement area in the FSA. You can enable this option from the **AO - General options** document and selecting **Delete documents based on risk thresholds in the FSA** in the Optimiser pane.

As part of setting up the **Optimiser**, the Firm Author can assign risk thresholds to procedures in work program documents in the master template.

When these documents are associated in the **Financial Statement Areas (FSA) Worksheet** and the engagement team has assessed **RMMs** by assertions, procedures with a risk threshold that exceed the assessed **RMM** will be automatically removed from the client file. For example, if your firm determines that a procedure is only necessary if the **RMMs** for the assertions in the financial statement area are High, the procedure will be automatically removed from the engagement client file if the assessed **RMM** is less than High.

Note: provides the ability to **Lock User Procedure Customizations** within work program documents, which ensures that the Optimiser cannot delete procedures. The lock is automatically removed after a year end close has been performed, allowing the reassessment of procedures in the following year

To assign a risk threshold to a procedure:

1. Right-click on the procedure or sub procedure in a work program or checklist and select **Assertions**.

2. From the **Select the minimum risk assessment threshold** drop-down, select the appropriate level of risk. The default for all procedures is **Low**.

8 CONTENT MANAGEMENT

8.1 Introduction

Content is updated on a regular basis to incorporate new standards by the content authors. **Audit** includes several tools to help the **Firm Author** manage and update the work program and checklist documents in the master template.

As well, **Audit** allows you to determine how these changes flow to the engagement client file level to ensure that updates are effectively and efficiently performed by **Users**.

In this section, we will examine how the firm can:

8.1.1   Update the master template content.

8.1.2   Set version numbers for the User update process.

8.1.3   Set update options.

8.2 Managing the Content

From time to time, your firm may receive an update to the template and the corresponding library components. As the Firm Author, you must install the update and manage any firm content previously added or modified.

The **Highlight Options** feature within work program and checklist documents will indicate the state of the procedures, such as out-of-date. The **Check for based on procedure** feature checks the status of procedures previously added by the firm that were based on other procedures. The status easily allows you to determine which procedures require modification or removal. **Check for updates** within the master file documents can be used to ensure the most up-to-date procedures are included in the master file.

Firm authors can also indicate that documents in the template have been updated or changed, and that mapping or grouping structures have changed. In addition, work programs and checklists can be marked as having had their content changed. Client files can then be updated to include these changes.

8.2.1 Procedure Highlighting

The **Highlight Options** feature under the **Document** menu allows you to review procedures highlighted for various states. Highlighting is helpful before or with **Check for Updates**.

When selected, highlighting will mark specific procedures with a distinctive color and outline style around specific procedures. This helps to identify changes the firm may wish to review.

Procedures can be highlighted as follows:

Item	Description	Highlight Color
Updated Procedures	Procedures updated through check for updates.	
Inserted Procedures	Procedures inserted after the document was initially created.	
Out of Date Procedures	Procedures where there is a more current version available in the content library.	

To highlight procedures:

8.2.1.1   From the Document Manager, open the work program or checklist you wish to review.

8.2.1.2   From the **Document** menu, select **Display Highlight Options**.

8.2.1.3   Check the **Highlight Options** as shown.

8.2.1.4   Review the highlighted procedures that were previously changed.

8.2.2 Checking procedures status

When modifying a procedure provided with the original template, the modified procedure automatically becomes a new procedure based on the original and the **Procedure is based on an existing procedure** checkbox is automatically turned on. If the original procedure is later updated, the **Check for Based on Procedure Status** feature allows you to easily identify the procedures based on an existing procedure that may also need updating.

To check the procedures status:

8.2.2.1   From the **Document** menu, select **Check for Based on Procedure Status**.

8.2.2.2   Review the information in the column **Based on Procedure Name** appearing on the right end of the document. A status indicator displays along with the name of the base procedure and the owner of the base procedure. The three status indicators are:

Indicate or	Description
✔	No change has been made to the original procedure.
△	A change has been made to the original procedure.
✖	The original procedure has been deleted.

8.2.2.3   Click on the name of the original procedure to view the current content of the original procedure.

8.2.2.4   Review the status indicators and the original procedure that the current procedure is based on. Make changes to the procedure as necessary by right-clicking the procedure, selecting **Modifiable**, and typing your change. Update the version number and modified date.

Once your status review is complete, from the **Document** menu, clear **Check for Based on Procedure Status**.

Note: When adding new procedures, you also have the option to base them on existing procedures by selecting the **Procedure is based on an existing procedure** check box and selecting the base procedure.

Resetting the procedure status
You can reset the procedure status to remove procedure highlighting for a checklist or work program. To do this, select **Reset Procedure Status** from the **Author** menu. Resetting the procedure status is useful if an engagement team is creating a new client file and does not need to know what changes have been made to the updated template.

8.3 Client File Updates

This template provides your engagement staff with the ability to update each engagement file using an **Update from Template** notification process. When opening a client file a notification balloon appears informing your staff that parts of the source template have been upgraded to a newer version. Clicking in the balloon launches a series of dialog boxes that display the available updates and enable your staff to select the updates to apply to your client file

To enable this process, you must change the various version numbers when any of the following happens:

- Settings have been changed because the **AO - General Options** document has been changed - **Document Version** number.

- A CaseView or external document, such as Word or Excel, has been modified - **Document Version** number.

- Procedures in a work program or checklist document have been added, deleted, or updated - **Content Version** number.

- A CaseView or external document has been added, deleted, or updated - **Document Structure** number.

- A mapping or grouping structure has been changed - **Structure** number.

To update the Document Version and Content Version number of a document:

1. In the Working Papers Document Manager, right-click the document that has been modified or replaced and select **Properties**.

2. In the Document Properties dialog, click the **Template** tab.

3. Type the new (increased) version number.

To update the structure version number:

1. From the Working Papers **Tools** tab, in the Templates group, select **Template Versions**.

2. In the Template Versions dialog, click the **General** tab.

3. Where a CaseView or external document has been added, deleted, or updated, type the new (increased) Document Structure number.

4. Where a mapping or grouping structure has been changed, type the new (increased) Structure number.

Note: The following convention is used for version numbers:

- The first digit of the version is reserved for changes created by CaseWare.
- The second digit of the version is reserved for changes created by distributors.
- The third digit of the version is reserved for firm authors.

In practice, as the firm author, you will only need to change this third digit. For example, if the current version is 2.1.3, the next version to use would be 2.1.4.

8.4 Update Options

The firm can select the update process that the engagement team will use when content updates for work programs or checklists are distributed to Users. This option sets the update process that occurs when Users select the **Check for Updates** feature in a work program or checklist document.

The firm should review the options and ensure they meet the firm's requirements. The firm has the option to set the update process by selecting the desired option from the drop-down list.

Option	Description
User selects individual procedures to update in each document.	All procedures marked as **Required** are automatically updated in each engagement.
	No other procedures are updated, or new procedures added. Users are required to update procedures on a procedure-by-procedure basis.
	Document properties are updated in each work program or checklist when **Check for Updates** is performed.
All existing procedures are updated. New procedures are stored in the library.	All procedures marked as **Required** are automatically updated in each engagement.
	Automatically updates all existing procedures in an engagement file if they have not been modified at the engagement level.
	Procedures that have been customized at the engagement level have an option to update or retain on a procedure-by-procedure basis.
	New procedures remain in the content library and must be added to the engagement as needed.
	Document properties are automatically updated.
All existing procedures are updated. New procedures are added to the document.	All procedures marked as **Required** are automatically updated in each engagement.
	Automatically updates all existing procedures in an engagement file if they have not been modified at the engagement level.
	Procedures that have been customized at the engagement level have an option to update or retain on a procedure-by-procedure basis.
	New procedures are automatically added to each work program or checklist and must be deleted in the engagement as needed.
	Document properties are automatically updated.

If users update the engagement file using the **Update from Template** notification method, the template ignores this Update setting and only uses the option to Update all existing procedures, add new

procedures. For firms that only want their staff to update work programs and checklists using the other two options, they should advise their staff to either not use the **Update from Template** method or to Skip the Procedures component.

8.4.1 Updating Procedures in the Master Template Only

There may be some situations where you do not want to push certain changes to the engagement files. Audit has implemented **minor** version on procedures to trigger the update in the master template but not in the engagement file.

Procedure

8.4.1.1   In a work program or checklist, right-click the applicable procedure and select **Modifiable**.

8.4.1.2   Once the changes have been made, change the **second** digit in the **Ver** column.
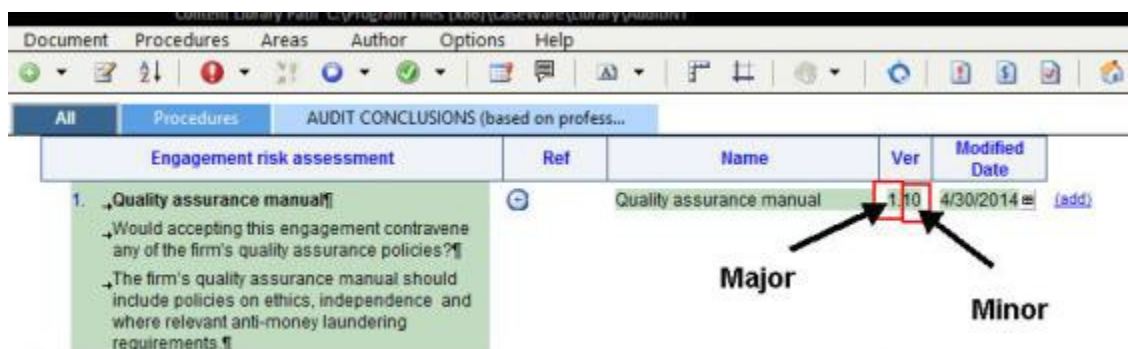
Result
The changes will only be updated in the master template and will not be pushed to engagement files when a user checks for updates.

9 REPACKAGE

9.1 Introduction

If any customizations have been made to the master template, the **Repackage** function must be run and the resulting template package (.cwp) file must be distributed to your Users and installed on their workstations. Customizations include changes to procedures, documents, mappings/groupings, settings, etc. The Repackage installation file includes the master template, the content library, and all the necessary files required for the installation. Copying selected files to individual computers may cause the template to work improperly.

Prior to repackaging, ensure that all customizations have been completed. You may consider specifying any additional firm specific documents in the Document Manager for inclusion in the repackaged installation.

Since the Repackage file contains the entire template, repackaging can be used to back up the template during the authoring process. You can manually add the time and date to the file name to keep multiple backups.

In this section, we will examine how the firm can repackage the master template file.

9.2 Repackaging a template

To repackage a template:

1. In Working Papers, select **Tools | Templates**. The Templates dialog opens.

2. Select the template.

3. Click **Repackage**. Only when you select a packaged template that was designed to allow repackaging and that has already been installed does the **Package** button change to **Repackage**; non-packaged templates have the **Package** button available. The Templates Package wizard opens, welcoming you.

4. On the wizard, click **Next**. The Global Options page opens. Identify the path where the packaged template will be located and, if you want, give the template a different name from the original. You can choose repackaging rights.

5. Click **Finish** on the wizard. If the repackaging was a success, the wizard displays a message indicating that the process was successful. A CaseWare Packager file (.cwp) is created which is used to launch the Template Installer wizard. ®

6. If the application detected errors, those errors are displayed; fix the errors and follow the preceding steps to repackage the template.

7. Click the **Close** button to exit the wizard.

9.3 Distribution

Once repackage is completed, you can distribute the customized template by providing the template package (.cwp file) to the users for installation. You will have defined the name and location of this file during the Repackage process.

Double-click the. cwp and the installation process will begin.

The distribution process is the same for the initial installation of a firm-customized template as well as any subsequent updates.

Note:

9.3.1   If you are using a firm-customized template, your staff should not install from the original installation files.

Practice Sets

1 Practice Sets Objectives

When the course is complete, users of the Audit Template will be able to:

- ☐ Create files incorporating Audit into either existing or new client files.
- ☐ Create and track risks, controls and reportable items throughout the audit process.
- ☐ Customize work programs and checklists to meet client requirements.
- ☐ Review client files using tools in Audit and Working Papers.
- ☐ Update client files with changes in content.

2 Practice Set – Author in the Audit template

2.1 Open the Audit master template

At the end of this practice set, you will be able to:

- Open the master file.

- Access a document from the Document Manager.

2.1.1 Objective: Open the master file

1. Open **Working Papers**.

2. From the **File** menu, select **Templates**.
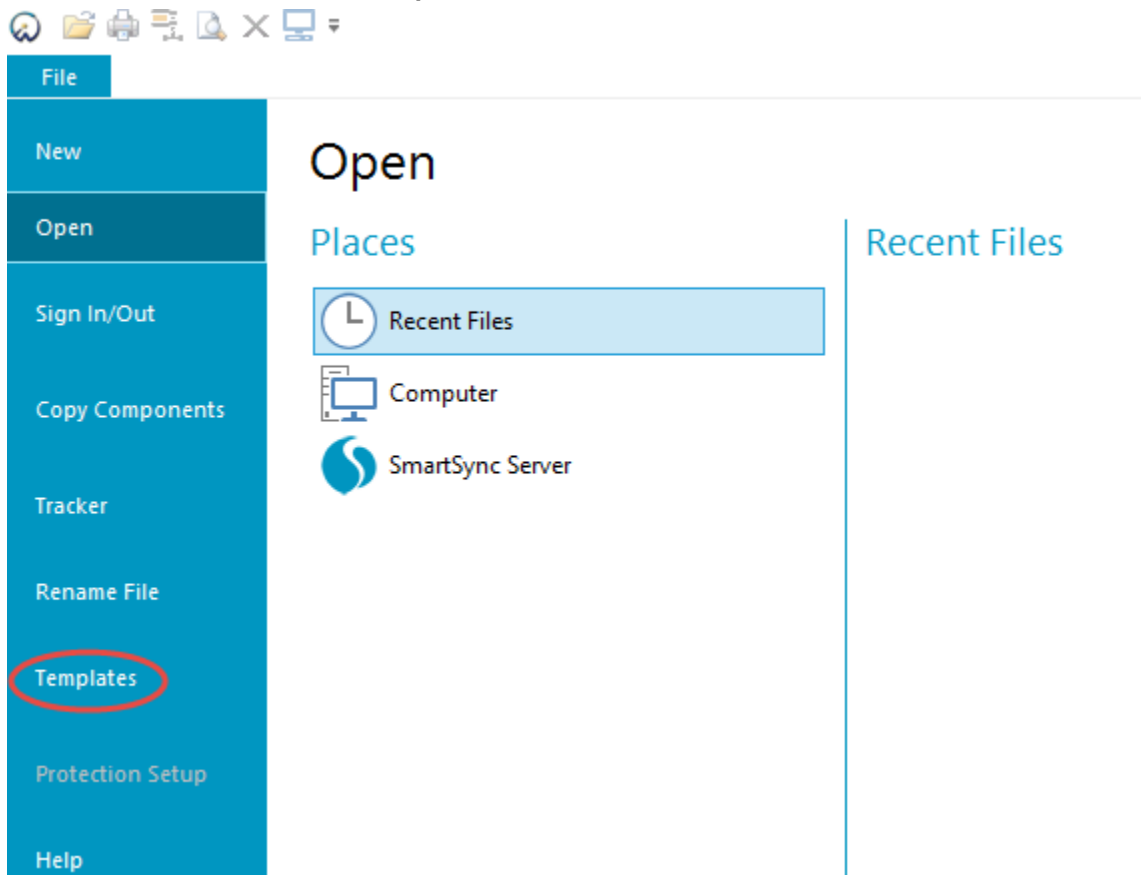
3. Select the **Audit International** template icon.
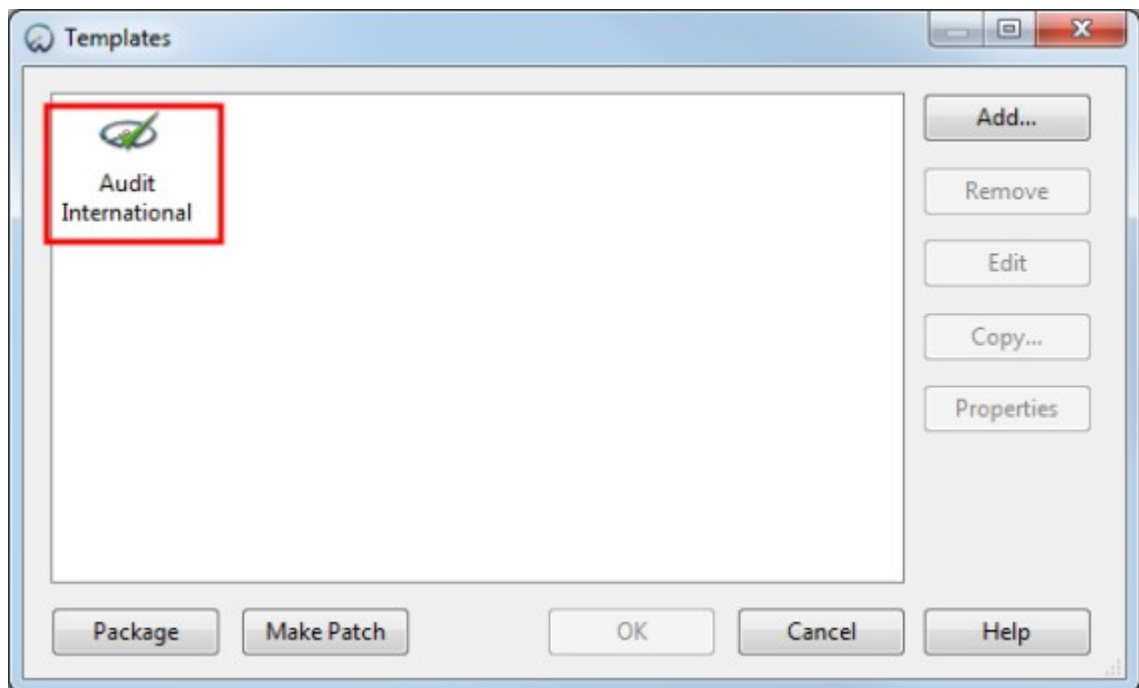
4. Click **Edit** or double-click on the icon.

Results

The Audit master template opens.

2.1.2 Objective: Access a document from the Document Manager

1. From the **Navigation** toolbar in Working Papers, click **Documents.**
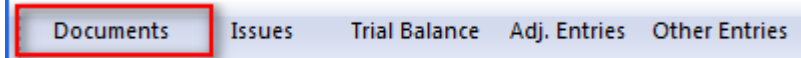
2. Click the icon beside the folders to expand and collapse them.

   Tip: You can also press the **Enter** key to expand and collapse the folders.
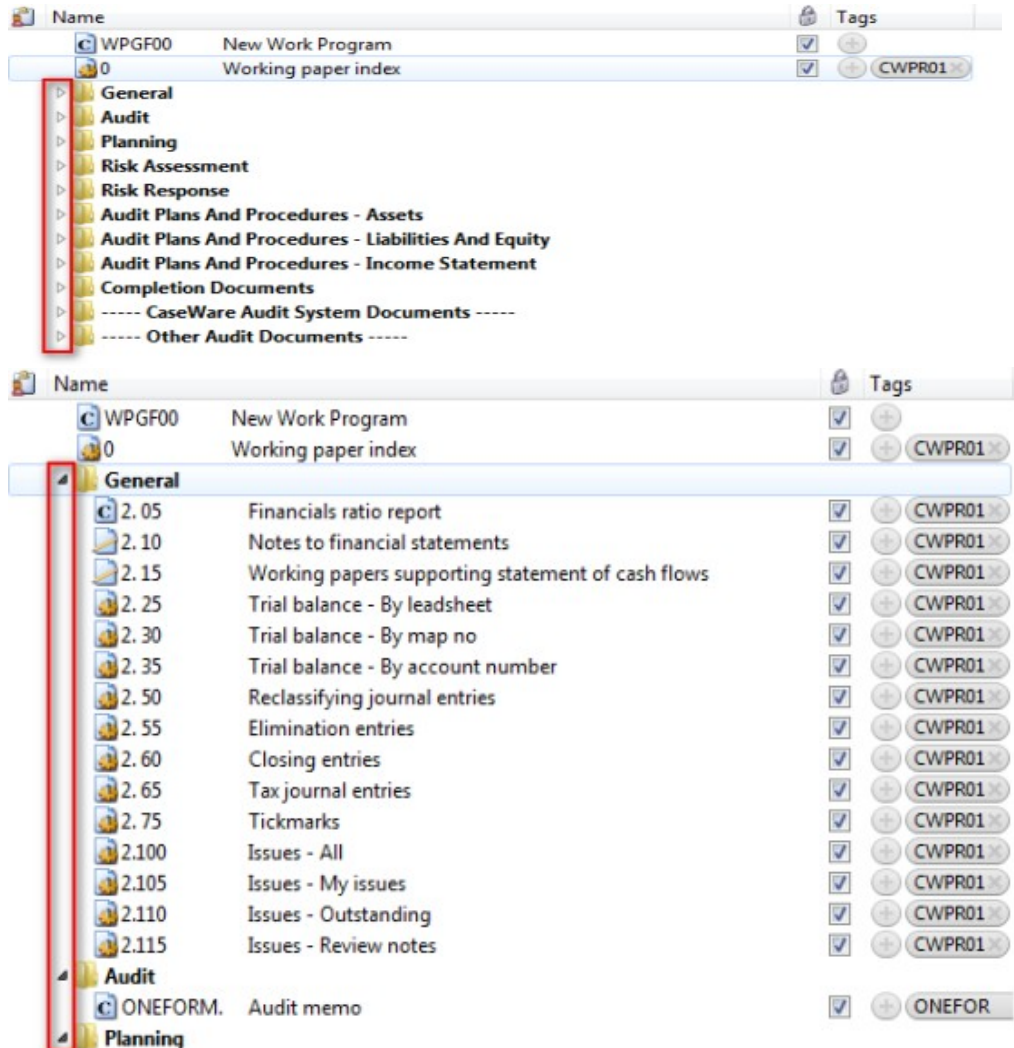
3. Right-click the document to open it.

Name			Tags	
ⓒ WPGF00	New Work Program	✓	⊕	
🔷 0	Working paper index	✓	⊕ CWPR01 ✕	
▲ 📁 General				
ⓒ 2.05	Financials ratio report	✓	⊕ CWPR01 ✕	
2.10	Notes to financial statements		☑ Properties	Alt+Enter
2.15	Working papers supporting statement of cash flows			
2.25	Trial balance - By leadsheet		**Open**	**Enter**
2.30	Trial balance - By map no		✖ Delete	Del
2.35	Trial balance - By account number		🖨 Print	Ctrl+P
2.50	Reclassifying journal entries			
2.55	Elimination entries		📝 Add New Issue...	
2.60	Closing entries		🗔 Tags	
2.65	Tax journal entries			
2.75	Tickmarks		Check Out	
2.100	Issues - All		Check In	
2.105	Issues - My issues			
2.110	Issues - Outstanding		📋 Compare...	
2.115	Issues - Review notes			
▷ 📁 **Audit**			📷 Save Milestone...	
▷ 📁 **Planning**			📷 Save as Web Page...	
▷ 📁 **Risk Assessment**			📕 Save as PDF File...	
▷ 📁 **Risk Response**			Save as Excel File...	
▷ 📁 **Audit Plans And Procedures - Assets**				
▷ 📁 **Audit Plans And Procedures - Liabilities And Equity**			Send To	▶
▷ 📁 **Audit Plans And Procedures - Income Statement**			New	▶
▷ 📁 **Completion Documents**				
▷ 📁 **----- CaseWare Audit System Documents -----**			✂ Cut	Ctrl+X
▷ 📁 **----- Other Audit Documents -----**			📋 Copy	Ctrl+C

4. Click the close button to close the opened document.

Results

The selected document opens and closes in a new window.

3 Practice Set – General options

3.1 Complete general options

At the end of this practice set, you will be able to:

- Enable engagement profiles.

- Add a Trivial misstatements section to the Materiality document.

- Define the areas and set firm assertions for the work programs.

- Remap a combined assertion.

- Define the completion responses for audit procedures.

- Enable the Optimiser.

3.1.1 Objective: Enable engagement profiles

1. In the Document Manager, select **CaseWare Audit System Documents | Control Documents**.

2. Double-click document **AO – General Options** to open it.
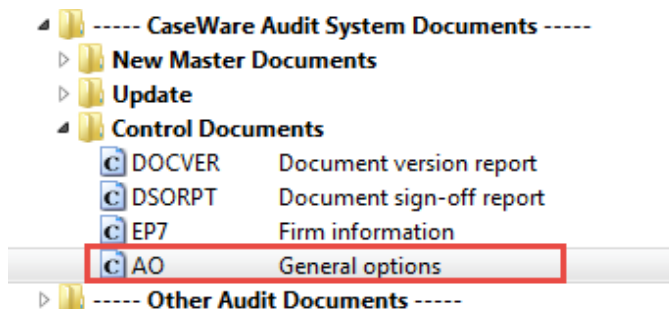
3. Select the **Engagement Profiles** tab.
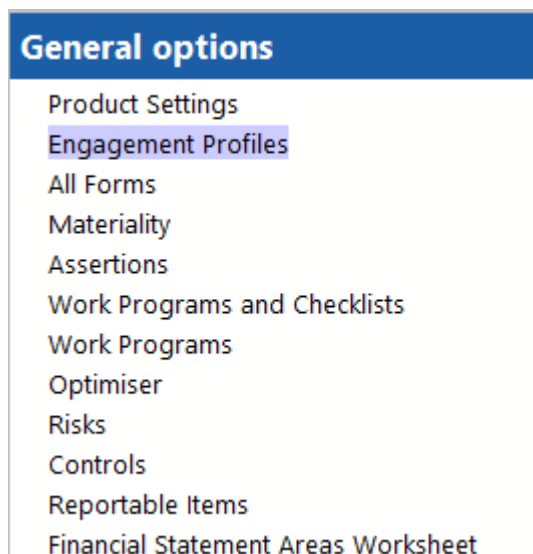
4. In the **Engagement profile setup** drop-down menu, select **Documents only**.

Engagement profiles allow authors to define unique profiles for different types of engagements. Profiles include documents and global settings and will be specified upon creation of new client files.

Engagement profile setup: Documents only

Number of profiles: 1 - 10

Last loaded profile:

Owner:

Check the preview of engagement profile dialog: Preview

5. Scroll down and select the **OneForm** button as the pre-selected profile. Click ⟳.

6. Click the first **Documents** icon. A list of document tags that are associated with the profile displays.

   Note: Documents with any of these tags in the Document Manager will be included in the client file when a new client file is created based on the master template.

   Tags

   Assign Tags

   + Click here to assign a new tag

   Assigned

   Unassigned

   | audit | condensed | cw0210 | cw0220 | cw0400 | cw0500 | cw0600 |
   | cw0810 | cw0820 | cw0830 | cw0840 | cw1100 | cw1200 | cw1300 |
   | small |

7. Close the Tags dialog by clicking the close button.

8. Click 💾.

Results

The updated engagement profile includes documents only. The global settings will be identical for all profiles as defined in the master template.

Note: When a new client file is created from the master template, the **Engagement Profile Selector** will default to **OneForm**.

3.1.2 Objective: Add a Trivial misstatements section to the Materiality document

1. In document **AO – General Options**, select the **Materiality** tab.

2. Scroll down to **Sections Included in Materiality Document** and select **Trivial misstatements**.

3. Type **Trivial misstatement** in the **Description** box and enter the value **5** in the **Percentage** box.

Results

The **Trivial misstatements** section is added to the **Materiality** document.

3.1.3 Objective: Define the areas and set firm assertions for the work programs

1. In document **AO – General Options**, select the **Assertions** tab.

General options

Product Settings
Engagement Profiles
All Forms
Materiality
Assertions
Work Programs and Checklists
Work Programs
Optimiser
Risks
Controls
Reportable Items
Financial Statement Areas Worksheet

2. Change the **Number of combined assertions** to **6 – six assertions**.

   Note: To define a new custom assertion, you must select six assertions or more.

3. For Assertion 6, type **Training assertion** in the Firm Standard field and **TA** in the Abbr. field.

Combined assertions

Completeness	Completeness		C	
Existence	Existence		E	
Accuracy	Accuracy		A	
Valuation	Valuation		V	
Rights and Obligations	Rights and Obligations		RO	
Assertion 6	Training assertion		TA	

4. Select the **Include** box beside each corresponding assertion to include them to the template file.

Terminology	Firm Standard		Abbr.		Include □
Pervasive risks					
Entity Level	Entity Level		P		
Combined assertions					
Completeness	Completeness		C		☑
Existence	Existence		E		☑
Accuracy	Accuracy		A		☑
Valuation	Valuation		V		☑
Rights and Obligations	Rights and Obligations		RO		☐
Assertion 6	Training assertion		TA		☑

5. Click the **Associate base assertions** ⚡ icon.

   Note: A Warning ⚠ icon will display if any combined assertions are not associated with a base assertion.

6. In the Associate base assertions dialog, select the base assertions that correspond to each combined assertion.

📄 Associate base assertions   ✕

		Combined Assertions					
		C	**E**	**A**	**V**	**TA**	**N/A**
	Classes of Transactions						
	Occurrence	○	○	○	○	◉	○
	Completeness	◉	○	○	○	○	○
	Accuracy	○	○	◉	○	○	○
	Cutoff	○	○	○	○	○	◉
	Classification	○	◉	○	○	○	○
	Presentation	○	○	○	◉	○	○
	Account Balances						
	Existence	○	○	○	○	○	◉
	Rights and obligations	○	○	○	○	○	◉
	Completeness	○	○	○	○	○	◉
	Accuracy, valuation and allocation	○	○	○	○	○	◉
	Classification	○	○	○	○	○	◉
	Presentation	○	○	○	○	○	◉
	Presentation and Disclosure						
	Occurrence	○	○	○	○	○	◉
	Completeness	○	○	○	○	○	◉
	Classification and understandability	○	○	○	○	○	◉
	Accuracy and valuation	○	○	○	○	○	◉

(*Base Assertions* labeled vertically along left side)

OK   Cancel

7. Click **OK**.

8. Click 🏠 to return to the Document Manager.

9. Select **Audit Plans and Procedures – Assets | Cash And Cash Equivalents**.

10. Open document **140.101 Cash – Audit procedures**.

   ▲ 📁 **Cash And Cash Equivalents**
       📄 140   Cash and cash equivalents leadsheet
       📄 140.101   Cash - Audit procedures
       📄 140.110   Bank reconciliation procedures

11. Select **Areas | Insert List of Assertions**.

12. Select the **Financial Statement Assertions** tab to view the new assertions.

The new assertion displays in all work programs. When using a new assertion system in a template, procedures are automatically updated, and Risks and Controls automatically associate with the equivalent combined assertions.

3.1.4 Objective: Remap a combined assertion

1. Open document **AO – General Options**.
2. Select the **Assertions** tab.

General options

Product Settings
Engagement Profiles
All Forms
Materiality
Assertions
Work Programs and Checklists
Work Programs
Optimiser
Risks
Controls
Reportable Items
Financial Statement Areas Worksheet
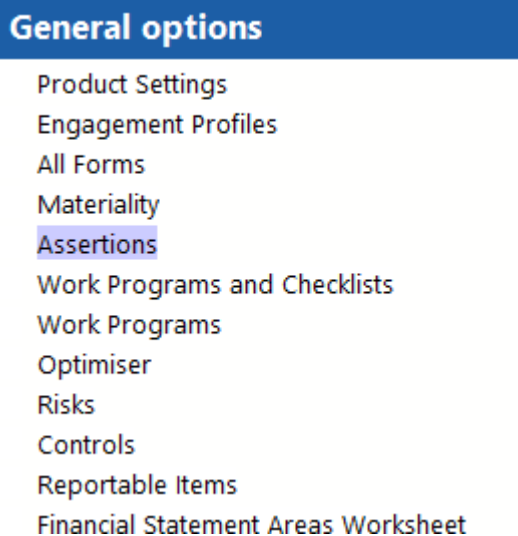
3. Click ⚡.
4. In the Associate base assertions dialog, select the assertions that correspond to each combined assertion. If there is no assertion, select **N/A**.

Associate base assertions   ✕

	Combined Assertions					
	C	E	A	V	TA	N/A
Classes of Transactions						
Occurrence	○	○	○	○	○	◉
Completeness	○	○	○	○	○	◉
Accuracy	○	○	○	○	○	◉
Cutoff	○	○	○	○	○	◉
Classification	○	○	○	○	○	◉
Presentation	○	○	○	○	○	◉
Account Balances						
Existence	○	○	○	○	○	◉
Rights and obligations	○	○	○	○	○	◉
Completeness	○	○	○	○	○	◉
Accuracy, valuation and allocation	○	○	○	○	○	◉
Classification	○	○	○	○	○	◉
Presentation	○	○	○	○	○	◉
Presentation and Disclosure						
Occurrence	○	○	○	○	○	◉
Completeness	○	○	○	○	○	◉
Classification and understandability	○	○	○	○	○	◉
Accuracy and valuation	○	○	○	○	○	◉

(Base Assertions)

OK   Cancel

5. Click **OK**.

The combined assertion is remapped. When modifying your assertions, your procedures will automatically update to store the applicable assertions.

Note: When opening the **Financial Statement Areas (FSA)** worksheet after updating your assertions in an engagement file, you will receive a warning indicating that your assertion settings have been modified and assertions enabled on FSAs should be reviewed. To enable your changes, you will need to manually add the relevant assertions to your FSAs.

3.1.5 Objective: Define the completion responses for audit procedures

1. In document **AO – General Options**, select **Work Programs | Completion Responses**.

General options

- Product Settings
- Engagement Profiles
- All Forms
- Materiality
- Assertions
- Work Programs and Checklists
- Work Programs
    - Areas
    - Completion Responses
    - Procedure Allocation
- Optimiser
- Risks
- Controls
- Reportable Items
- Financial Statement Areas Worksheet

2. Change the **Number of responses** to **8 – eight responses**.

3. For the new response, select **Other** from the drop-down menu.

4. Type **Incomplete** in the description box.

	Firm Standard		
1.	Completed, no exceptions	-	☐
2.	Completed with exceptions noted below	-	☑
3.	Not possible to complete	-	☑
4.	Yes	-	☑
5.	No	-	☑
6.	N/A	-	☑
7.	Other	-	☑
	Other		
8.	Other	-	☑
	Incomplete		

5. Select only **Explanation** and **Explanation is required** and clear the rest of the boxes.

Results

The new response is added to all work program procedures.

Note: The responses can only be seen in work programs at the client engagement level.

3.1.6 Objective: Enable the Optimiser

1. In document **AO – General Options,** select the **Optimiser** tab.

2. Select only the following check boxes:

Financial statement areas worksheet (FSA)

Delete documents based on materiality in the FSA: ☑

Delete procedures based on risk thresholds in the FSA: ☑

Delete procedures based on audit responses in the FSA: ☐

Optimiser Checklist

Delete documents based on checklist responses: ☑

Delete procedures based on checklist responses: ☑

Delete risks based on checklist responses: ☑

Other

Insert procedures linked to a risk: ☐

Delete industry specific documents: ☐

Delete unassociated controls: ☐

3. Close document **AO – General Options**.

<u>**Results**</u>

The Audit Optimiser is enabled.

4 Practice Set – Forms

4.1 Firm information and logos

At the end of this practice set, you will be able to:

- Complete the firm information document.
- Add a firm logo to all audit documents.

4.1.1 Objective: Complete the firm information document

1. In the Document Manager, select **CaseWare Audit System Documents | Control Documents**.

2. Double-click document **Firm information** to open it.

   ▲ 📁 ----- CaseWare Audit System Documents -----
   ▷ 📁 **New Master Documents**
   ▷ 📁 **Update**
   ▲ 📁 **Control Documents**
        🅲 DOCVER   Document version report
        🅲 DSORPT   Document sign-off report
        🅲 EP7   Firm information
        🅲 AO   General options
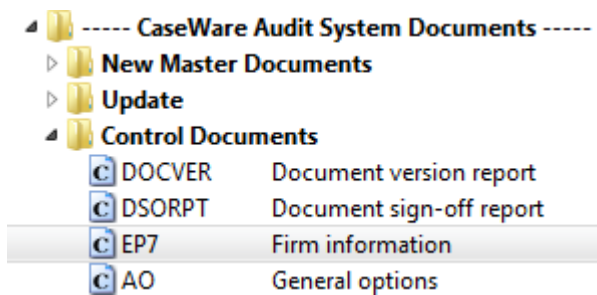
3. Complete as shown:

Name of the practicing unit	**Training Firm**
Address of the practicing unit	**12345 Audit Street**
City	**Audit Town**

   The following information is required for the firm as a whole. The information is used in correspondence such as the engagement, representation and management letters.

Name of the practicing unit	Training Firm
Address of the practicing unit	12345 Audit Street
City	Audit Town
Prov/State	
Country	
Postal/Zip Code	
Telephone number	
Facsimile number	
E-mail address	
Practicing unit is referred to as	Firm
Firm designation	Certified Public Accountants

4. In the **Firm designation** drop-down menu, select **Certified Public Accountants**.

Results

The firm information displays in the header of the letter.

4.1.2 Objective: Add a firm logo to all audit documents

1. Select **Browse** and locate the firm logo file.

Logo

CWInterface\FIRM.BMP

Browse... Preview

☑ Show the firm logo in all documents
☑ Show the firm name in all documents

2. Select the file and click **Open**.

3. Select **Preview**.

4. In the bottom pane, scroll down and select **Edit Company Name Style**.

5. Click **OK**.

Note: You can resize the table columns by adjusting the margins in the ruler.

6.   Select the **Back** button to return to the **Firm Information**.

7.   Close document **Firm information**.

Results

The logo and the firm designation display in the footer of all audit documents.

4.2 Create new letters

At the end of this practice set, you will be able to:

- Create a new blank letter.

4.2.1 Objective: Create a new blank letter

1.   In the Document Manager, select **CaseWare Audit System Documents | New Master Documents**.
2.   Right-click document **LETTER Sample letter** and select **Copy**.
3.   Expand folders **Audit Plans And Procedures – Assets** | **Cash And Cash Equivalents.**
4.   Right-click the **Cash And Cash Equivalents** folder and select **Paste**.
5.   Right-click document **LETTER Sample letter** and select **Properties**.
6.   Change the document **Number** to **A.125** and **Name** to **Bank Confirmation Letter**.
7.   Click **OK.**

Results

A new blank letter is created and added to the **Cash and Cash Equivalents** folder in the Document Manager.

> **Notes:**
>
> - You can create new letters based on either an existing letter or a blank sample letter. To create a new letter based on an existing letter, copy and paste the existing document instead of the **Sample letter** document.
>
> - Don't confuse the **Sample letter** with the **Same management letter**. The **Same management letter** contains the reportable items feature.

4.3 Modify letters

At the end of this practice set, you will be able to:
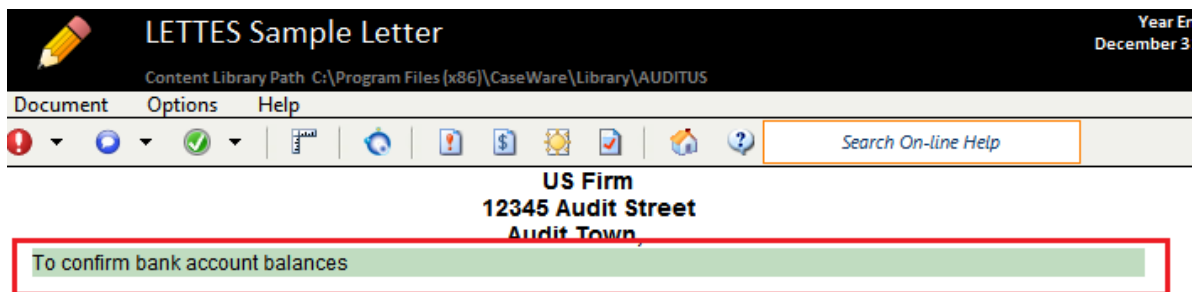
4.3.1 Modify a letter in form mode.

4.3.2 Modify a letter in design mode.

4.3.1 Objective: Modify a letter in form mode

1. In the Document Manager, select **Audit Plans And Procedures – Assets** | **Cash And Cash Equivalents.**

2. Double-click document **A.125 Bank Confirmation Letter** to open it.

3. In the Document Guidance text box, type **To confirm bank account balances**.

4. Select **Options | Display Document Guidance** to disable the Document Guidance area.

Results

The letter is modified in form mode.

4.3.2 Objective: Modify a letter in design mode

1. In document **A.125 Bank Confirmation Letter**, select **View | Design Mode**.

2. Click the body text **Input text here** to place the cursor there.

3. Right-click and select **Paragraph** to access the paragraph properties.

4. Check **Permit editing in Form mode** and click **OK**.

5. Delete **Input text here** and type **In connection with our audit, we request confirmation of all account balances as at**.
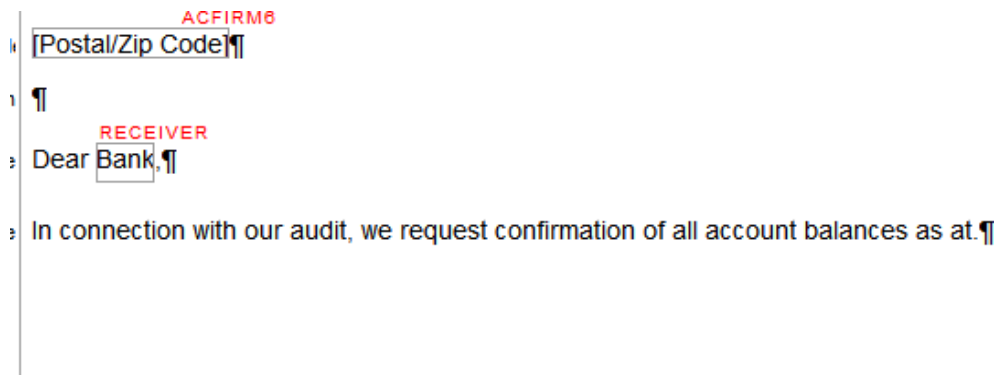
6. Click the space after the word "at".

7. In the **Home** tab, select **Cell**.

8. Type **BANKDATE** and click **OK**.
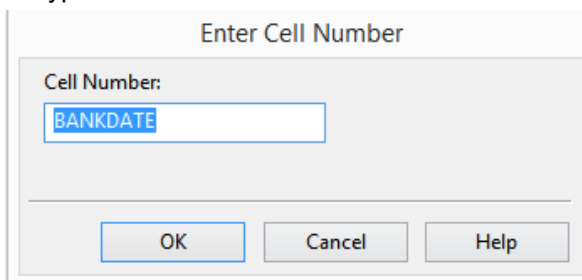
9. In the **Cell Type** drop-down menu, select **Date**.

10. Select the **Date** tab.

11. Select the **Use Long Format** option and clear the **Use Regional Settings** box.

12. In the **Date Style** drop-down menu, select **MMMM dd, yyyy**.

13. Select **Calendar Control** and click **OK**.

14. Select **View | Form Mode**.

15. Close and save the new letter document.

Results

The paragraph is modified to allow the user to edit text. Cells are created to allow the user to enter a balance and select a date.

4.4 Create new work programs
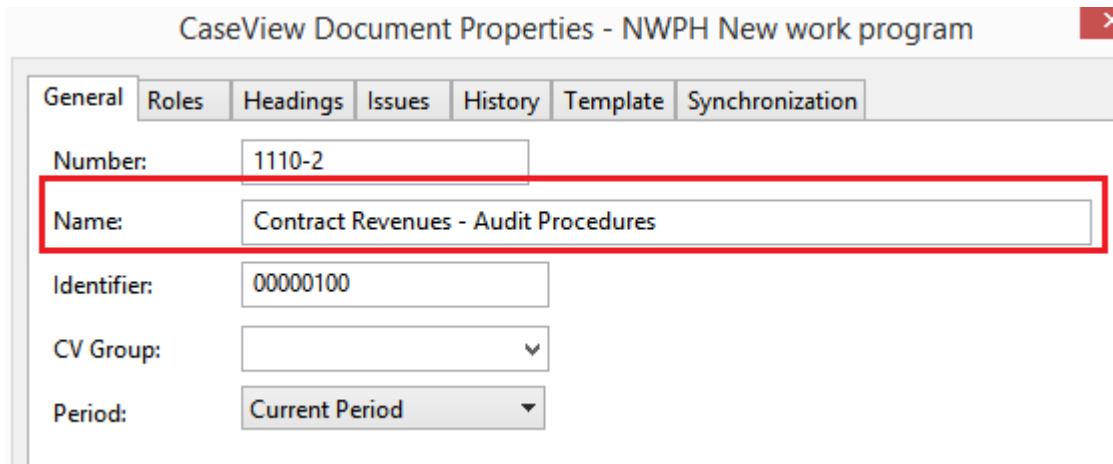
At the end of this practice set, you will be able to:

- Create a new work program.

4.4.1 Objective: Create a new work program

1. In the Document Manager, select **CaseWare Audit System Documents | New Master Documents**.

2. Right-click the document **NWPG New work program** and select **Copy**.

3. Expand folders **Audit Plans And Procedures – Income Statement | Revenues**.

4. Right-click the **Revenues** folder and select **Paste**.

5. Right-click document **NWPG New work program** and select **Properties**.

6. Change the document **Number** to **1102-2** and the **Name** to **Contract Revenues - Audit Procedures**. Click **OK**.
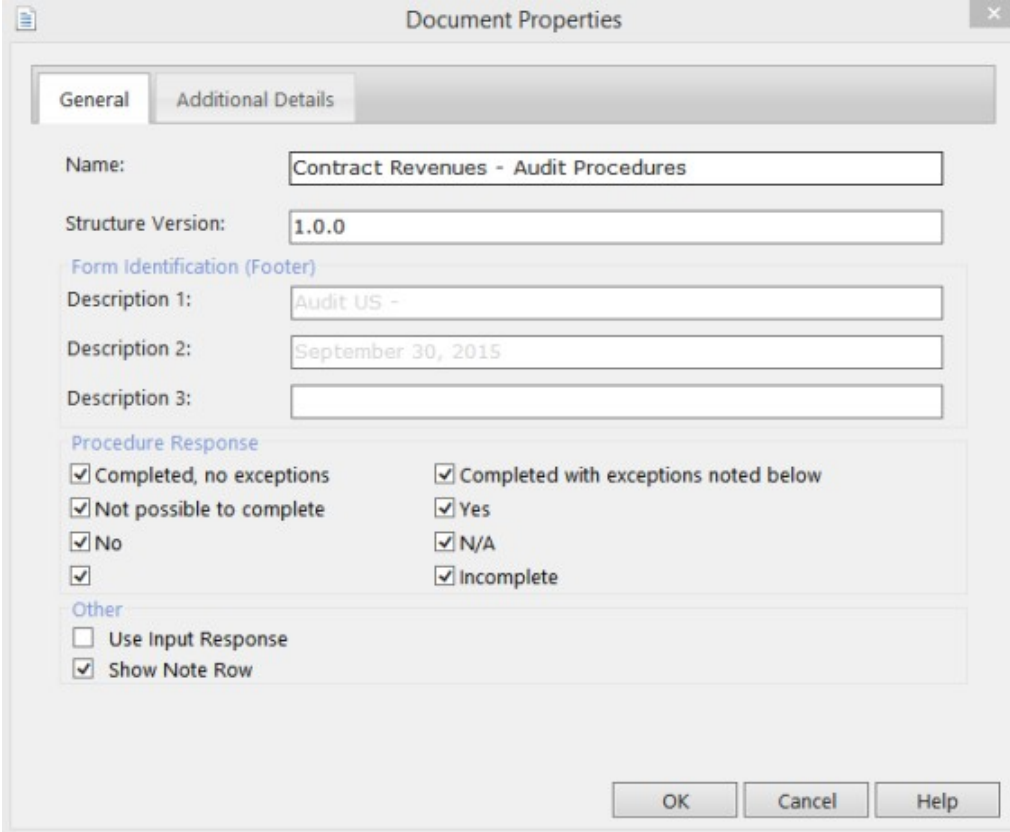
7. Double-click document **1110-2 Contract Revenues – Audit Procedures** to open it.

   Note: The Document Properties dialog initially displays for newly created work programs and checklists.

8. Click **OK**.

9. Close and save the document.

Results

A new work program document is created and added to the **Revenues** folder in the Document Manager.

4.5 Creating new checklists

At the end of this practice set, you will be able to:

- Create a new checklist.

4.5.1 Objective: Create a new checklist

1. In the Document Manager, select **CaseWare Audit System Documents | New Master Documents.**

2. Right-click document **NCHKLST New checklist** and select **Copy**.

3. Expand folders **Audit Plans And Procedures – Assets | Cash And Cash Equivalents**.

4. Right-click the **Cash And Cash Equivalents** folder and select **Paste**.

5. Right-click document **NCHKLST New checklist** and select **Properties**.

6. Change the document **Number** to **A.115-2** and **Name** to **Cash Count Checklist**.

7. Click **OK**.

8. Double-click document **A. 115-2 Cash Count Checklist** to open it.

   Note: The Document Properties dialog initially opens for newly created checklists.

9. Under **Procedure Response**, clear the boxes **Not possible to complete** and **Other**.

10. Click **OK**.

11. Close and save the document.

Results

A new checklist document is created and added to the **Cash and Cash Equivalents** folder in the Document Manager.

4.6 Procedures

At the end of this practice set, you will be able to:

- Modify existing procedure content.
- Insert a new procedure.
- Insert a new procedure based on an existing procedure.
- Insert a new common procedure that is available in other work programs or checklists.
- Delete procedures.
- Set procedure availability.
- Filter procedures.

4.6.1 Objective: Modify existing procedure content

1. In the Document Manager, select **Audit Plans And Procedures – Assets | Cash And Cash Equivalents**.
2. Double-click document **140.101 - Cash - Audit procedures** to open it.
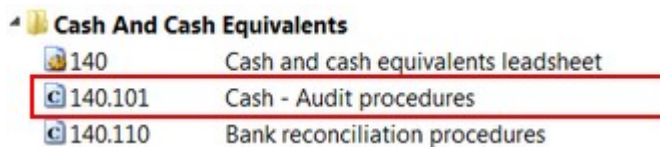
3. Select the **Filter Procedures** tab.
4. In the Filter Procedures dialog, click **OK**.
5. Right-click **Analytical procedures** and select **Modifiable**.
6. Click **Yes** to change ownership of the procedure.

   Note: The procedure changes color to indicate it is modifiable.

7. Scroll to the end of **Analytical procedures**.

8. Press **Enter** to insert a new bullet and type **The quick current ratio compared to other years**.

Procedure	Assert	Threshold	Ref	Name	Req	Ver	Modified Date	
Develop and document expectations for the period-end cash balances based on information obtained from understanding the entity.								
Investigate and document significant variances between the expectations developed and the actual cash balances. Consider the following:								
• Cash and cash equivalents balance compared to the previous period								
• The reasonableness of interest received on a month-to-month or quarterly basis								
• The quick current ratio compared to other years.								

9. Select **File | Save** or click 💾 to ensure the content library is updated.

Results

The existing procedure content is modified.

4.6.2 Objective: Insert a new procedure

1. In the Document Manager, select **Audit Plans And Procedures – Income Statement | Revenues**.

2. Double-click document **Contract Revenue - Audit Procedures** to open it.

3. Right-click in the empty space under **Substantive Procedures** and select **Insert New Procedure**.

4. Click **OK** to add 1 procedure.

5. In the New Procedure dialog, complete as shown:

6. Click **OK**.

7. Type **Confirm that all variable considerations (for example, royalties, milestone payments) are included in the transaction price**.

8. Right-click the new procedure and select **Assertions**.

9. Select the following check boxes:
   - C – Completeness
   - E – Existence
   - AV – Accuracy / Valuation

10. Select **(Hi)gh** in the **minimum risk assessment threshold** drop-down menu. Click **OK**.

11. Right-click the new procedure and select **Procedure Guidance**.

12. Type **This is a required procedure**.

13. Select **File | Save** or click 💾 to ensure the content library is updated.

Results

A new procedure is inserted.

4.6.3 Objective: Insert a new procedure based on an existing procedure

1. Right-click anywhere on the previously created procedure and select **Insert New Procedure**.

2. Leave the **Number of procedures to insert** as **1** and click **OK**.

3. In the New Procedure dialog, complete as shown:

4. Click **OK**.

5. Select **New Procedure** and click **OK**.

6. Select **File | Save** or click 💾 to ensure the content library is updated.

Results

A new procedure based on an existing procedure is inserted.

Note: In your work program or checklist, you can make an existing procedure a common procedure. Right-click on the procedure, then select **Procedure Properties | Procedure is available in other work programs**.

4.6.4 Objective: Insert a new common procedure that is available in other work programs or checklists

1. Right-click anywhere on the previously created procedure and select **Insert New Procedure**.

2. Leave the **Number of procedures to insert** as **1** and click **OK**.

3. In the New Procedure dialog, complete as shown:

Note: In a checklist, select the option **Procedure is available in other checklists**.

4. Click **OK**.

5. Select **New Procedure** and click **OK**.

6. Select **File | Save** or click 💾 to ensure the content library is updated.

Results

A common procedure that is available in other programs or checklists is inserted.

Modifications to a common procedure are automatically applied to all other documents containing the procedure. Template authors only need to edit the procedure once and all instances will automatically update the next time the document is opened.

Notes:

- In template mode, icons are added next to common procedures to indicate that changes to those procedures will affect other documents.
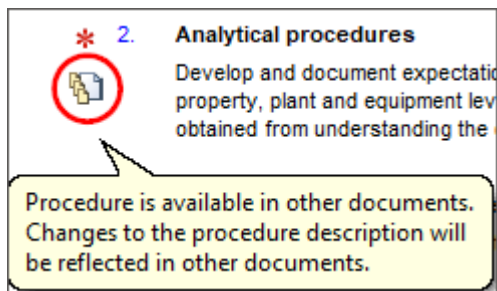
- When you add or modify unique conditions to a common procedure, you can choose to apply the conditions globally or locally.
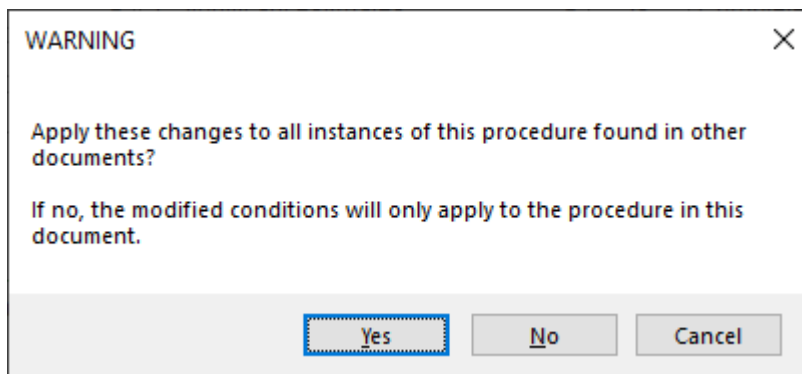
- When you apply unique conditions to a common procedure at the document level, the procedure condition icon will display a red dot .

- You can also revert unique conditions in a common procedure back to the globally defined conditions.
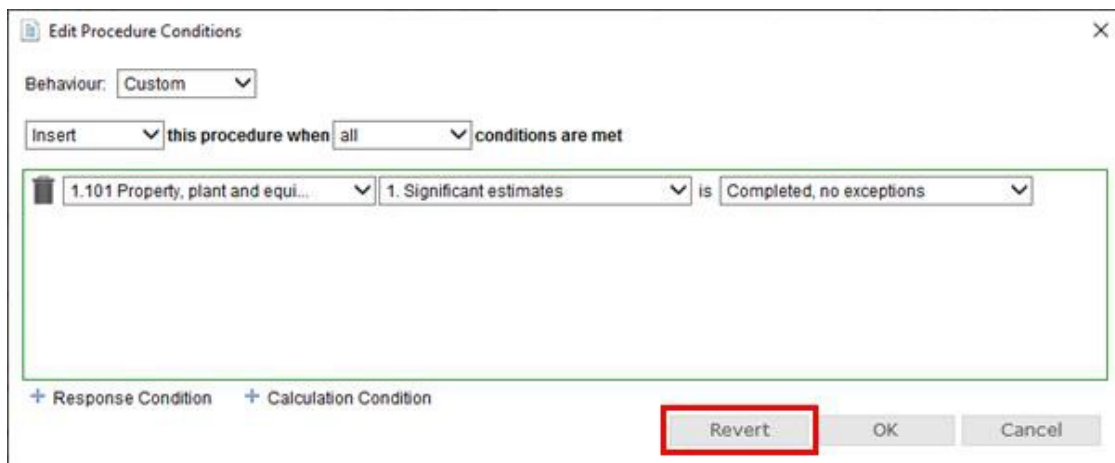
4.6.5 Objective: Delete procedures

1. On the navigation bar, select **Procedures | Delete Procedures**.

2. Select the check box beside **New Procedure based on existing procedure**.
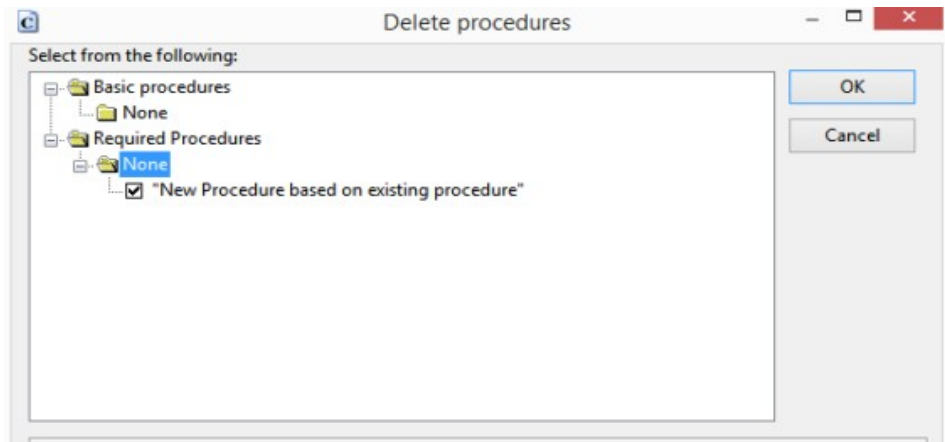
3. Click **OK**.

4. Click **Yes** to confirm deletion.

5. Select **File | Save** or click 💾 to ensure the content library is updated.

6. Close the document.

<u>**Results**</u>

The selected procedure is deleted.

> **Notes:**
> - You can only delete firm created procedures.
> - Deleting a common procedure from the Content Library in one document will automatically remove all instances of the same procedure in other documents.

4.6.6 Objective: Set procedure availability

1. In the Document Manager, select **Audit Plans And Procedures – Assets | Cash And Cash Equivalents**.

2. Double-click document **140.101 Cash – Audit procedures** to open it.

3. Select **Author | Set Procedure Availability…**.

4. In the Select Procedures dialog, select **Translation** from the Available column.

5. Click **OK**.

6. Select **Procedures | Insert New Procedure from Content Library** to view the library.

   Note: There is a Common column to help you identify common procedures. If a common procedure is not relevant in a document, unselect the common procedure to prevent it from being inserted incorrectly.

Available	Included	Name	Common	Industry Code
− A. SUBSTANTIVE PROCEDURES - BASIC				
− None				
☑	☑	Analytical procedures	☑	
☑	☑	Policies	☑	
☑	☑	Schedule	☐	
☑	☑	Additions	☐	
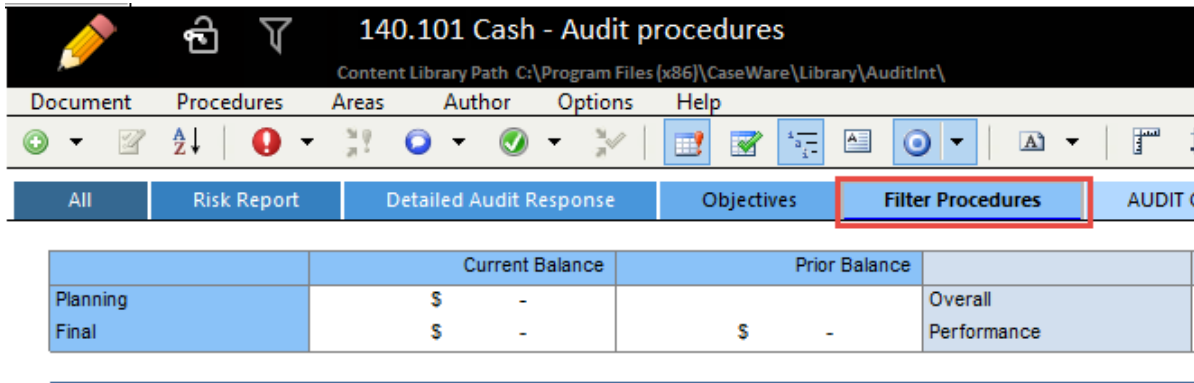
7. Click **Cancel** after viewing it.

8. Close and save the document.

Results

The selected procedure availability is set for users.

4.6.7 Objective: Filter procedures

1. In the Document Manager, select **Audit Plans And Procedures – Assets | Cash And Cash Equivalents**.

2. Double-click document **140.101 Cash – Audit procedures** to open it.

3. Select **Filter Procedures**.
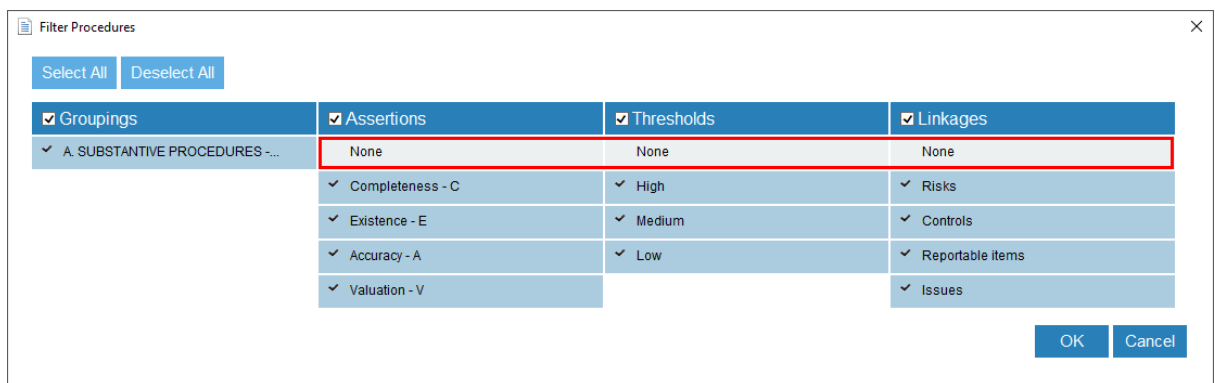
4. Select **None** under the columns **Assertion**, **Thresholds** and **Linkages**.

5. Click **OK**.

6. Close the document.

Results

Any procedures that belong to the deselected categories are no longer displayed in the document.

4.7 Complete the financial statement areas worksheet

At the end of this practice set, you will be able to:

- Generate a new financial statement areas worksheet.

- Customize parts of the worksheet including:

    - Sort account descriptions or group numbers

    - Add a subtotal

    - Add a title

- Complete the W/P ref. and Business Cycle columns of the worksheet.

4.7.1 Objective: Generate a new financial statement areas worksheet

1. In the Document Manager, select **Risk Assessment | Identify Financial Statement Assertions and Underlying Business Process**.

2. Double-click document **FSA. Financial statement areas worksheet (Core)** to open it.
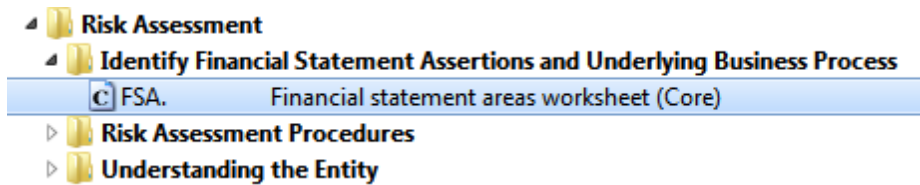
3. Click to open the **Configure** options.

4. In the top pane, scroll down and set the **Mask level** to **2**.

5. Click to **Generate**.

6. Click **Yes** in the Warning dialog.

Warning

Regeneration will delete all details you have entered related to each FSA. Do you want to continue?

[Yes] [No]
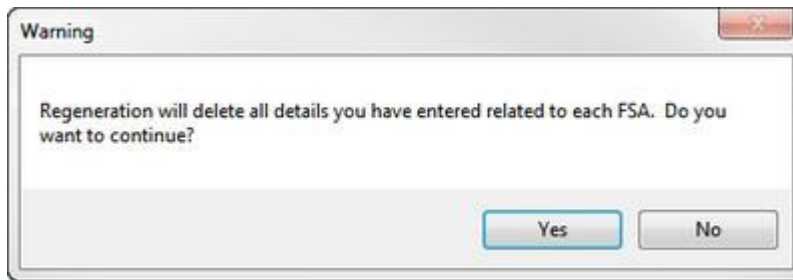
Results

The newly generated FSA document displays. Under column **Relevant Assertions**, the previously six set up assertions are displayed.

Group Number	Accounts/disclosures or other matters considered significant	Financial Statement Balances			Materiality assessment	Relevant Assertions
		Planning Balance as of 12/30/2015	Final Balance	Unrecorded AJEs		
	Entity level and IT general weaknesses and controls					All
⊞ A	Cash and cash equivalents	-	-	-	☐	C E A V PD M
⊞ B	Short term investments	-	-	-	☐	C E A V PD M

4.7.2 Objective: Customize parts of the worksheet

There are three parts of the worksheet that can be customized:

- Sort account descriptions and group numbers.
- Add a subtotal.
- Add a title.

4.7.2.1 Sort account descriptions and group numbers

1. Right-click on a heading under **Accounts/disclosures or other matters considered significant**.

2. Select **Sort | Ascending** to sort the description in ascending order.
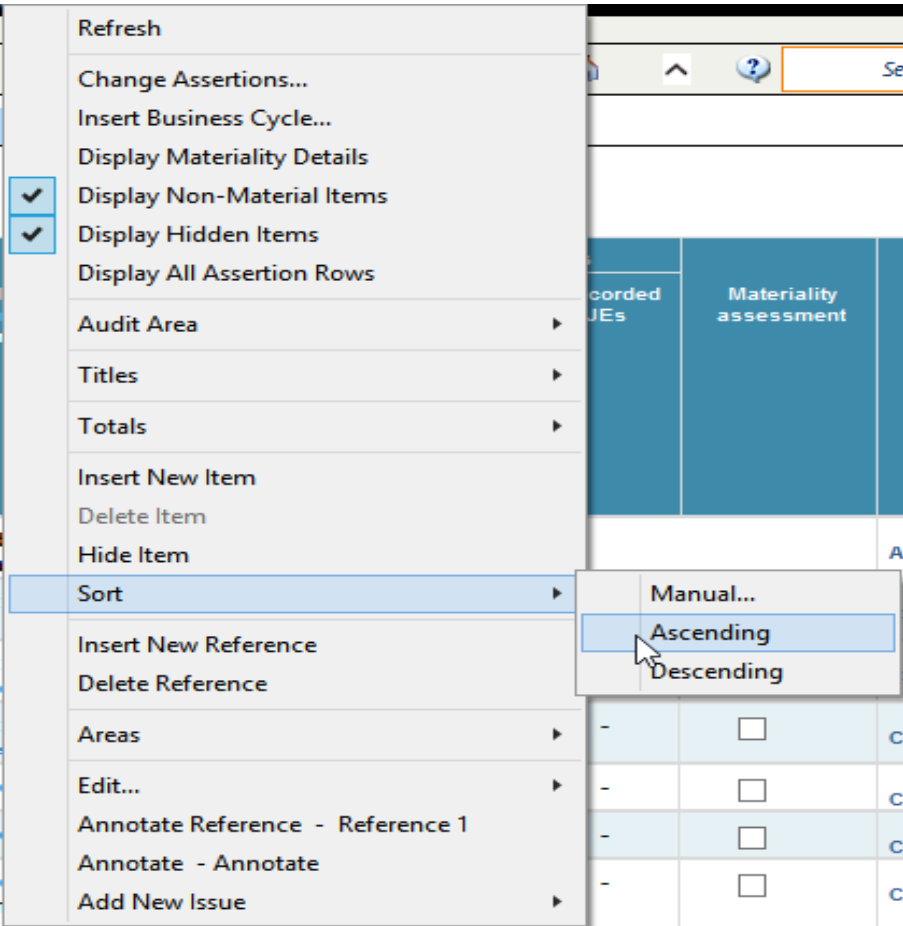
3. Right-click on any heading under **Group Number**.

4. Select **Sort | Ascending** to sort the rows by group number.

⊞ 1. 1	Refresh
⊞ 1. 2	Change Assertions...
	Insert Business Cycle...
⊞ 5	Display Materiality Details
⊞ 5. 1	✔ Display Non-Material Items
⊞ 5. 2	✔ Display Hidden Items
	Display All Assertion Rows
⊞ 10	Audit Area ▶
⊞ 10. 1	Titles ▶
⊞ 10. 2	Totals ▶
	Insert New Item
⊞ 10. 3	Delete Item
⊞ 10. 4	Hide Item
	Sort ▶
⊞ 20	Insert New Reference
⊞ 20. 1	Delete Reference
⊞ 20. 2	Areas ▶
⊞ 20. 3	Edit... ▶
⊞ 35	Annotate Reference - Reference 1
⊞ 110	Annotate - Annotate
	Add New Issue ▶

Results

The account descriptions and group numbers are sorted in ascending order.

4.7.2.2 Add a subtotal

1. Right-click on the last asset row, for example **140 Cash and cash equivalents**, and select **Totals | Insert New Subtotal**.
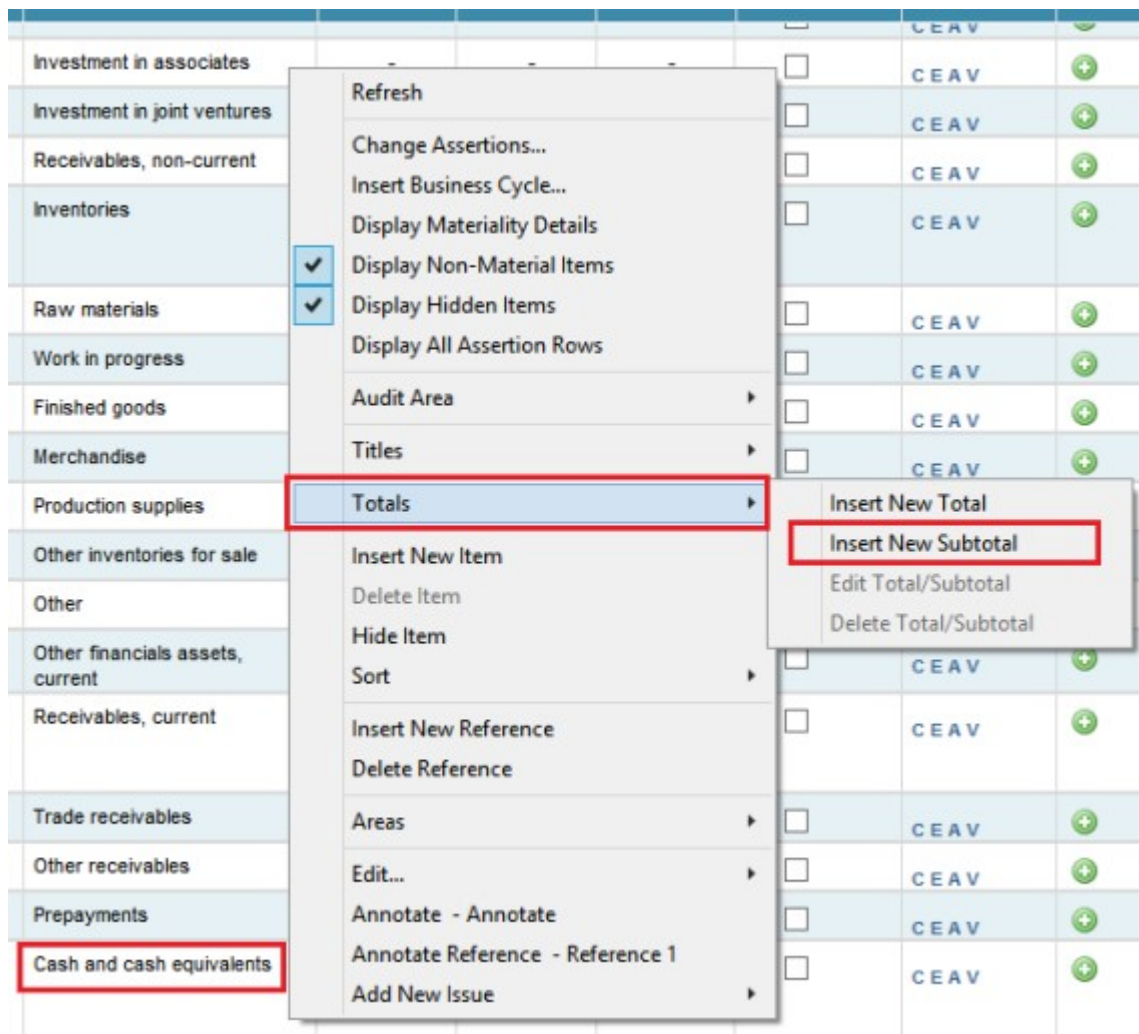
2. Type **Assets** in the dialog box and click **OK**.
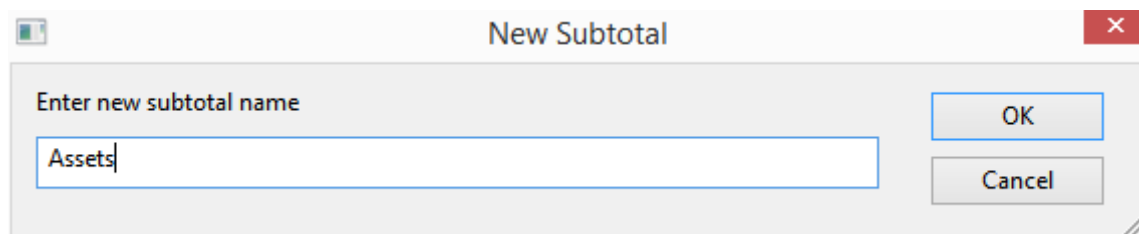
3. Select the following items:

   - **Other financial assets, current**
   - **Receivables, current**
   - **Prepayments**
   - **Cash and cash equivalents**

5. Click **OK.**

A new subtotal is added to the document.

4.7.2.3 Add a title

1. Right-click on the newly created row **Assets** and select **Titles | Insert New Title**.

2. Type **Liabilities and Equity** in the dialog box and click **OK**.

Results

A new title is added to the document.

4.7.3 Objective: Complete the W/P ref. and Business cycle columns

4.7.3.1 W/P ref.

1. On the **Trade receivables** row, double-click the reference button ⊕ under the **W/P ref.** column.

    Note: Click on the empty space just left of the Group Number to highlight the entire row. You can scroll across the table without losing your place.

2. Select the **New Reference** drop-down meu.
3. Expand folders **Audit Plans and Procedures – Assets | Receivables, Current**.
4. Select document **130.101 Accounts receivable, trade and other – Audit procedures**.
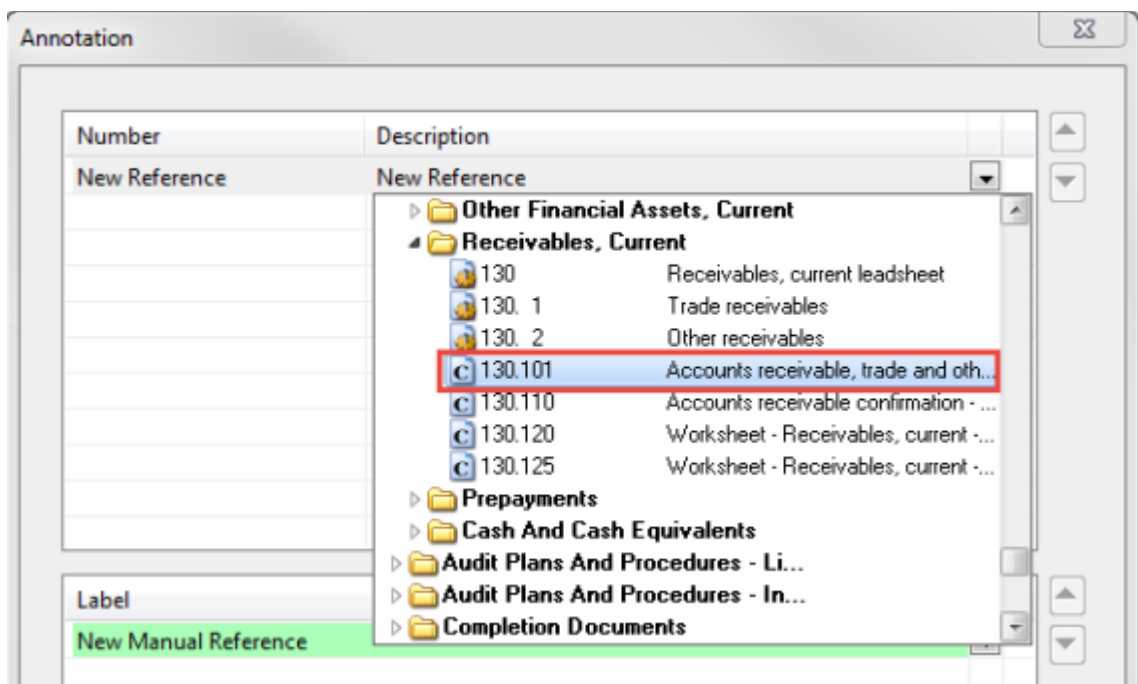
5. Click **OK.**

Results

The W/P ref. column is completed.

4.7.3.2 Business cycle

1. Right-click row **130 Receivables, current** and select **Insert Business Cycle**.

2. Select **Revenue, Receivables, Receipts (RRR)** and click **OK**.
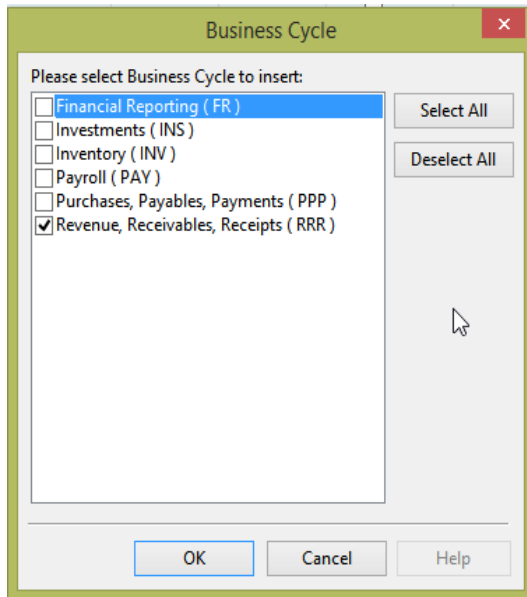
3. Close and save the document.

Results

The business cycle column is completed.

5 Practice Set – Risks, controls and reportable items

5.1 Add a risk

At the end of this practice set, you will be able to:

- Enable risks.
- Create a predefined common risk in the master template.
- Import risks from CaseWare RiskSpace.
- Link audit procedures from the mini risk report.
- Link audit procedures to the risk from the procedure.

5.1.1 Objective: Enable risks

1. In the Document Manager, select **CaseWare Audit System Documents | Control Documents**.
2. Double-click document **AO – General options** to open it.
3. Select the **Risks** tab.

General options

Product Settings
Engagement Profiles
All Forms
Materiality
Assertions
Work Programs and Checklists
Work Programs
Optimiser
Risks
Controls
Reportable Items
Financial Statement Areas Worksheet
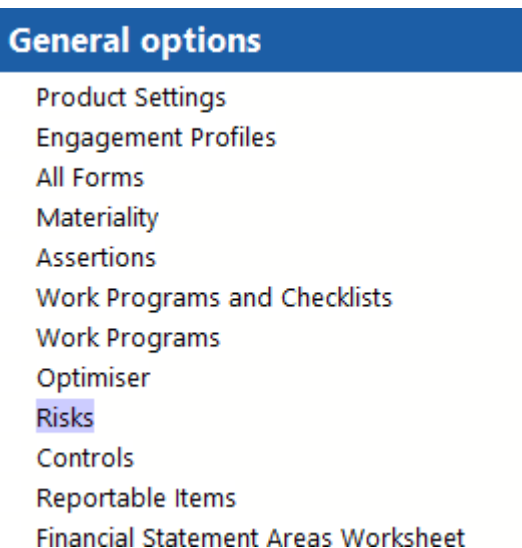
4. Ensure the **Enable Risks** check box is selected.

Enable Risks: ☑

Click "General Risk Options" to configure risks: `General Risk Options...`
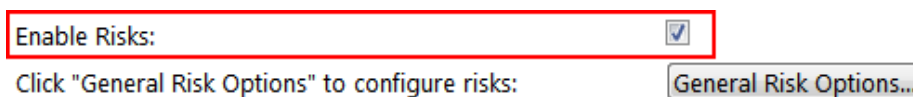
5. Leave document **AO – General Options** open.

Result

The Risks feature is enabled.

5.1.2 Objective: Create a predefined common risk in the master template

This practice set teaches you to create three risks in the master template.

Risk 1

1. In the Document Manager, select **Audit Plans And Procedures – Income Statement | Revenues**.

2. Double-click document **1500.101 Revenues - Audit procedures** to open it.
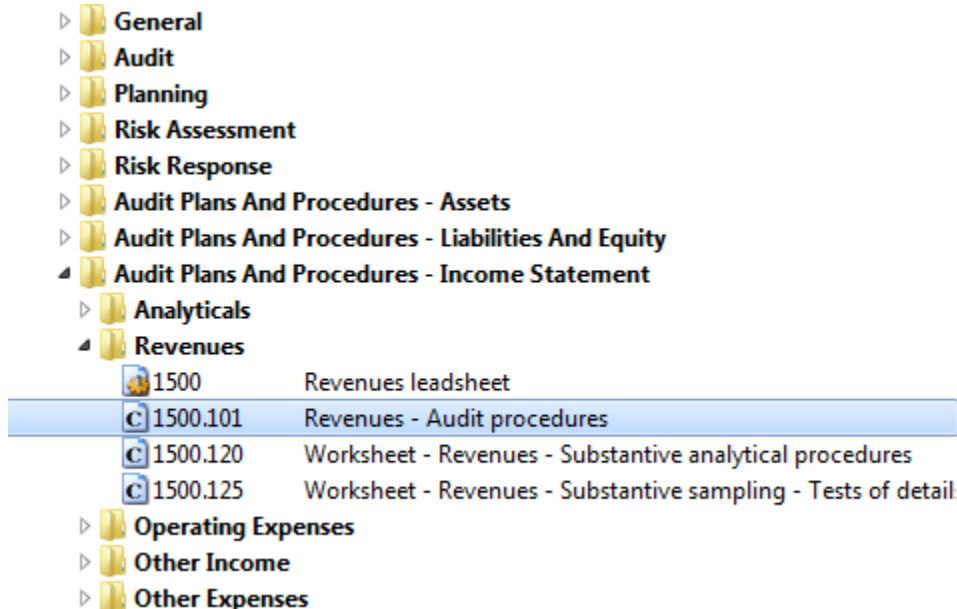
3. Click the **New Risk** icon 🛑.

4. Click 🔲 and select **Create New (item)**.

5. In the **Risk Identification** area, type the following:

   - **New risk name:** Firm - sales in wrong period

   - **New risk description:** Sales recorded in the wrong period

   - **What Could Go Wrong:** Revenue and income are materially over/understated

   Note: The **Source/Reference** field is automatically populated.

6. Click the edit icon ✏ next to **Financial Statement Area**.

7. Select the box beside **Revenues** and select the **C** for Completeness and **E** for Existence assertion.

   Note: If you do not see the assertion **M**, refer to **Practice Set 3.1.3**.

8. Click **OK**.

9. Select **Revenues, Receivables, and Receipts** for the **Business Cycle Affected**.

10. Click **OK**. The Risk dialog will be populated with the following fields:

| Financial Statement Areas | Revenues | C E |
| Business Cycles Affected | Revenue, Receivables, Receipts |

11. In the **Assessment** area, select the following options:
    - **Likelihood to occur:** Medium
    - **Monetary Impact:** Low
    - **Inherent Risk:** Medium
    - **Control of Risk:** Medium
    - **RMM:** Medium
    - **Significant Risk**
    - **Roll forward**
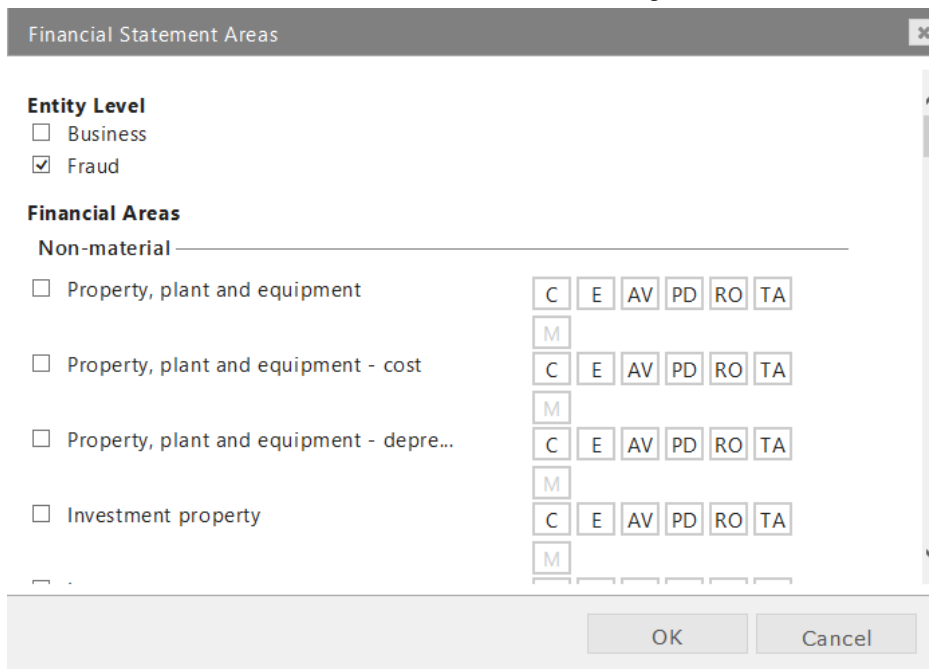
    Note: The **Addressed** field is automatically populated with the documents associated with the Revenues FSA.

12. In the **Risk Response** area, select **Audit has properly addressed this risk**.

13. Click **Apply**.

Risk 2

1. Click ⊞ and select **Create New (item)**.

2. In the **Risk Identification** area, type the following:
    - **New risk name**: Fictitious Sales
    - **New risk description:** Recorded sales are unsupported or fictitious
    - **What Could Go Wrong:** Revenue and income are materially over/understated

3. Select **Fraud** in the Financial Statement Areas dialog. Click **OK**.

4. Select **Revenues, Receivables, and Receipts** for the **Business Cycle Affected**.
5. In the **Assessment** area, select the following options:
   - **Likelihood to occur:**   Medium
   - **Monetary Impact:**   Medium
   - **Inherent Risk:**   High
   - **Control of Risk:**   High
   - **RMM:**   High
   - **Significant Risk**
   - **Procedures other than Substantive**
6. In the **Risk Response** area, select **Audit has properly addressed this risk**.

Control 🔗		«	Business Cycles Affected	Revenue, Receivables, Receipts
Edit association			**Assessment**	
Reportable Item 🔗			Likelihood to occur	Medium
Edit association			Monetary Impact	Medium
			Inherent Risk	High
			Control Risk	High
			RMM	High
			Significant Risk	☑
			Procedures other than Substantive	☑
			Roll forward	☐

Risk Response

Management Response	
Risk treatment/mitigation	▼
Audit Response	
Audit has properly addressed this risk	Yes
Addressed	1500
	1500.101
	1500.120
	1500.125

Associations

Control 🔗   Reportable Item 🔗

7. Click **Apply**.

Risk 3

1. Click ▦ and select **Create New (item)**.

2. In the **Risk Identification** area, type the following:

- **New risk name**: Revenue Recognition
- **New risk description:** Personnel fail to follow revenue recognition policies
- **What Could Go Wrong:** Revenue and income are materially over/understated

Risk Identification ———————————————————————

Revenue Recognition

Personnel fail to follow revenue recognition policies

Revenue and income are materially over/understated

3. Select the box beside **Revenues** and select the **C** for Completeness, **E** for Existence and **A** for Accuracy assertion. Click **OK**.

☑ Revenues | C | E | A | V | PD | M |

4. In the **Assessment** area, select the following options:

- **Likelihood to occur:**   Medium
- **Monetary Impact:**   Low
- **Inherent Risk:**   Medium
- **Control of Risk:**   Medium
- **RMM:**   Medium
- **Significant Risk**
- **Roll forward**

5.   In the **Risk Response** area, select **Audit has properly addressed this risk**.

6.   Click **OK**.

Results

The three new risks are saved and displayed at the top of the document in the mini risk report. The risks also shown in the **Risk Report** document, which is accessible by selecting the **Risk Report** tab.

5.1.3 Objective: Import Risks from CaseWare RiskSpace

1. In the Document Manager, select **Audit Plans And Procedures – Income Statement | Revenues**.

2. Double-click document **1500.101 Revenues - Audit procedures** to open it.

3. Click the **New Risk** drop-down menu button and select **CaseWare Working Papers RiskSpace**.

4. Type **foreign** in the search bar and select the risk **Sales in foreign currency are not translated accurately** to import.

5. Click **OK** to import the risk.

6. In the **Assessment** area, select the following options:

   - **Likelihood to occur:**   N/A
   - **Monetary Impact:**   N/A
   - **Inherent Risk:**   High
   - **Control of Risk:**   Medium
   - **RMM:**   Medium
   - **Significant Risk**
   - **Roll forward**

7. In the **Risk Response** area, select **Audit has properly addressed this risk**.

8. Click **OK**.

Results

The risk from CaseWare RiskSpace is imported to the document.

5.1.4 Objective: Link audit procedures from the mini risk report

1. In the Document Manager, select **Audit Plans And Procedures – Income Statement | Revenues**.

2. Double-click document **1500.101 Revenues - Audit procedures** to open it.

3. Select the new risk **Firm – sales in wrong period**.

4. Click the **Link procedures** menu button ![icon] to launch the Procedures dialog.
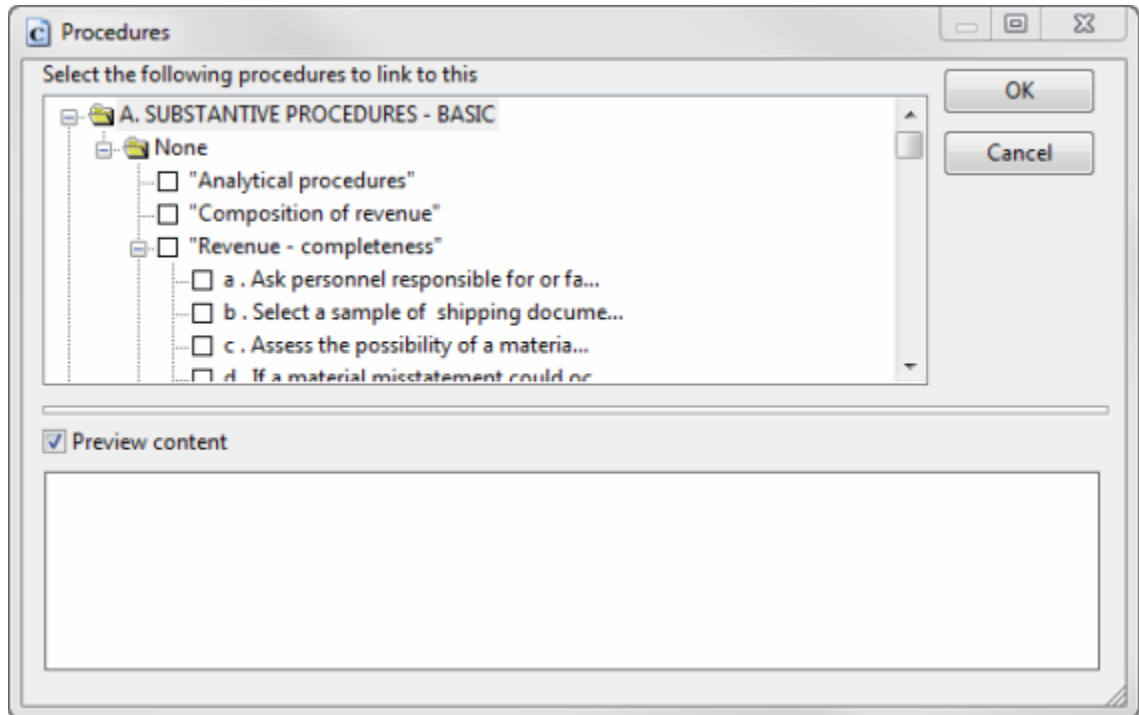
5. Select the following check boxes to mark the relevant procedures:

   - **Analytical procedures**
   - **Revenue - completeness**
   - **Revenue – existence, accuracy and valuation**
   - **Sales returns**
   - **Revenue – cut-off**

4. Click **OK**.

Results

The linked procedures are added to the Risk dialog.

You can also access the linked procedures in the **Risk Report** document by selecting the **Risk Report** tab.

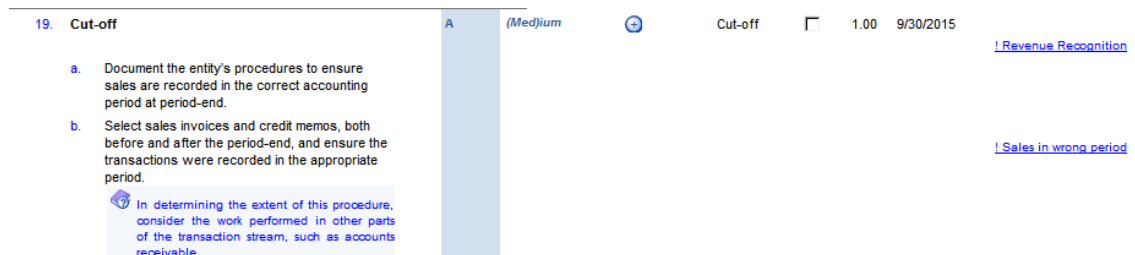### 5.1.5 Objective: Link audit procedures to the risk from the procedure

1. Place the cursor anywhere on **Analytical procedures**.

2. Click ![icon] to launch the Risk dialog.
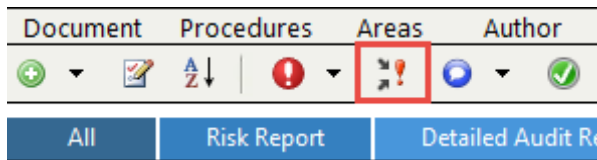
3. Select the risk **Firm – sales in wrong period** to link it to the procedure.
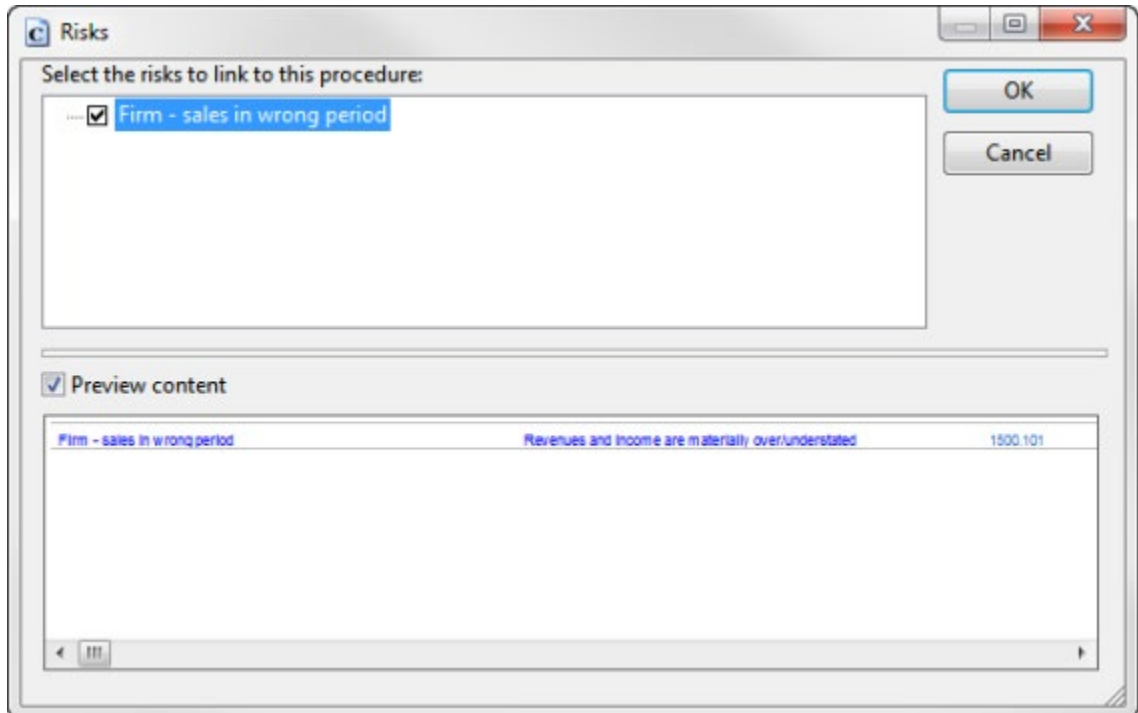
4. Click **OK**.

5. Close and save the document.

Results

The procedure is linked to the selected risk. The risk displays as a link next to the procedure.

Note: You need to manually link each procedure to the selected risk.

5.2 Defining risk report views

At the end of this practice set, you will be able to:

- Define filters and display options for the risk report.

5.2.1 Objective: Define filters and display options for the risk report

1. In the Document Manager, select **Risk Assessment | Risk Assessment Summary**.
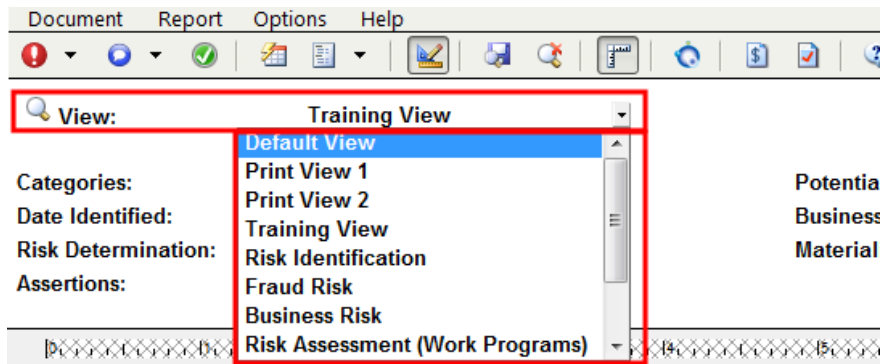
2. Open document **520E. Risk report (Core)**.
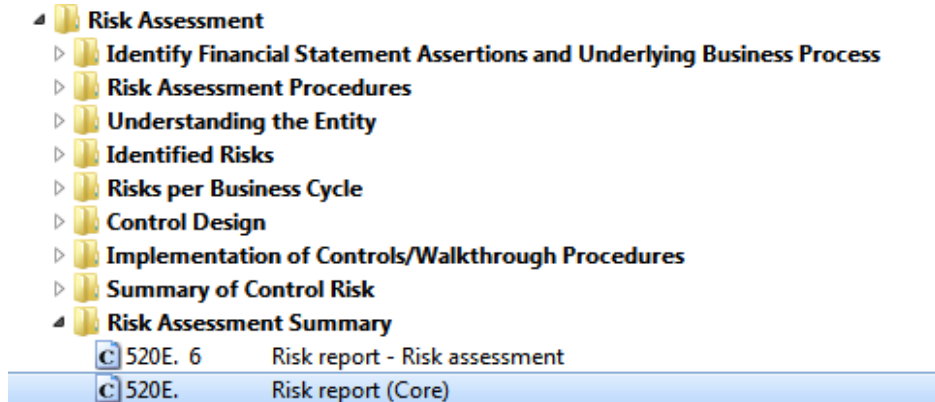
3. Select the following options:

- **Categories:**   Fraud (P)
- **Date Identified:**   New Today
- **Materiality:**   Materiality assessment

4. Right-click the column headings to select the columns you want to hide.

Edit Risk	
Delete Risk	
Dates	>
✓	Date Identified
✓	Risk Description
✓	What Can Go Wrong
✓	Assertions - P, C, E, AV, PD, RO, TA, M
✓	Likelihood to occur
✓	Monetary Impact
✓	Inherent Risk
✓	Significant Risk
✓	Management Response
✓	Risk treatment/mitigation
✓	Control Risk
✓	RMM
✓	Procedures other than Substantive
✓	Audit Response
✓	Reportable Item
✓	Source/Reference
✓	Addressed/Reference
✓	Audit has properly addressed this risk
Sort	>
Reset Column Width	

5. Click the ruler icon 📏 to resize the column headings.

This is an introduction section; you can enter a customized introduction, and also change the paragraph styles.
To show/hide this section, go to: "Options > Display Custom Introduction and Conclusion"
¶

				Assertions - P, C, E, A, V			Inherent Risk Assessment			
Risk Name	Date Identified	Risk Description	What Can Go Wrong	Assets	Liabilities	Income	Likelihood to occur	Monetary Impact	Inherent Risk	Significant Risk

This is a conclusion section; you can enter a customized conclusion, and also change the paragraph styles.
To show/hide this section, go to: "Options > Display Custom Introduction and Conclusion"
¶

6. Select **Document | Save View**.

Document	Report	Options	Help
Generate			
Save View			
Delete View			

7. Type **Training View** in the box and click **OK**.

8. Select **Default View** from the View drop-down menu.

<u>**Results**</u>

The new view is saved and added to the View drop-down menu.

5.3 Add a control

At the end of this practice set, you will be able to:

- Enable controls.
- Customize the controls dialog options.

5.3.1 Objective: Enable controls

1. In the Document Manager, select **CaseWare Audit System Documents | Control Documents**.

2. Open document **AO – General options** and select **Controls**.
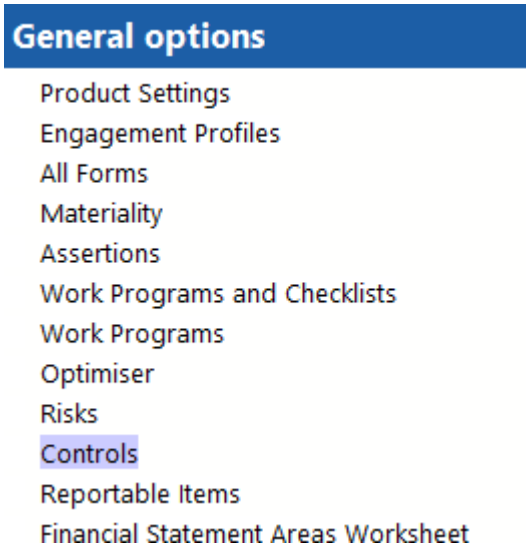
3. Ensure the **Enable Controls** check box is selected.
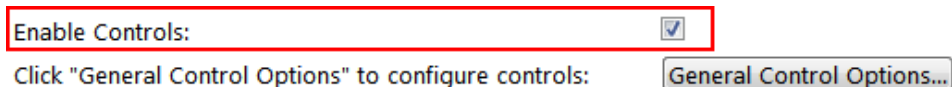
Note: If risks are disabled, controls are also disabled, which means this check box cannot be selected.

4. Leave document **AO – General options** open.

The Controls feature is enabled.

5.3.2 Objective: Customize the controls dialog options

1. In document **AO - General Options**, select **Controls**.
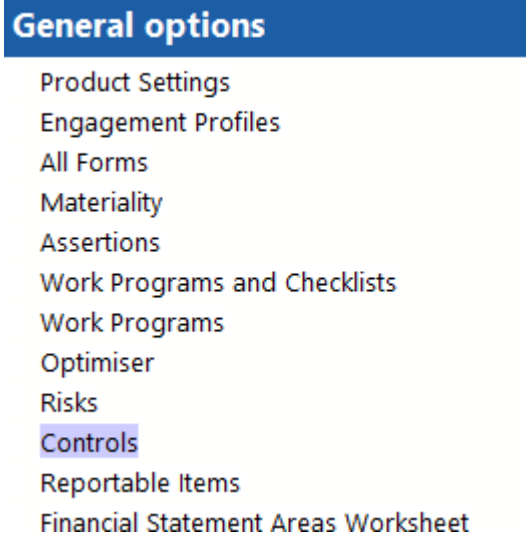
2. Click the **General Control Options** button.

3. Select **Identifier** to enable the field.

4. Type, **both** to add another list item after **Manual, Automatic.**

5. Click **OK**.

Results

The Control dialog is customized based on the options above.

5.4 Add reportable items

At the end of this practice set, you will be able to:

- Enable reportable items.

- Customize control options.

5.3.1 Objective: Enable reportable items

1. In the Document Manager, select **CaseWare Audit System Documents | Control Documents**.

2. Open document **AO – General options** and select **Controls**.

General options

Engagement Profiles
All Forms
Materiality
Work Programs and Checklists
Work Programs
Optimiser
Risks
Controls
Reportable Items
Financial Statement Areas Worksheet

3. Ensure the **Enable Reportable Items** box is selected.

Enable Reportable Items: ☑
Click "Reportable Item Options" to configure reportable items: Reportable Item Options...

Results

The reportable items feature is enabled.

5.3.1 Objective: Customize reportable items

1. In document **AO - General Options**, select **Controls**.

2. Click the **General Reportable Items Options** button.

3. Select **Status** to enable the field.

4. In the Ratings field, click **+.**

5. In the New Rating dialog, type **High**.

Results

The reportable items dialog is customized based on the selected options.

6 Practice Set – Optimiser

6.1 Create an Optimiser checklist

At the end of this practice set, you will be able to:

- Create a new Optimiser checklist document.

- Insert new procedures.

- Define a procedure action to:

  - Delete risks.

  - Delete documents.
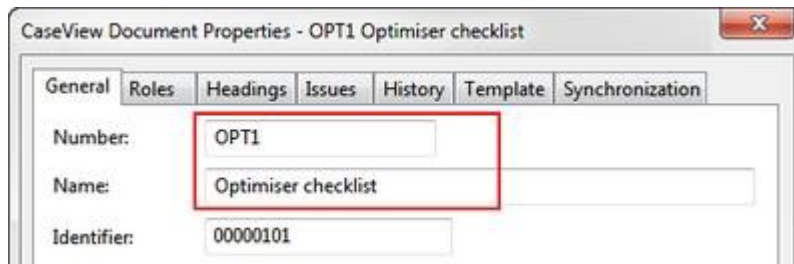
  - Delete procedures.

6.1.1 Objective: Create a new Optimiser checklist document

1. In the Document Manager, select **CaseWare Audit System Documents | New Master Documents**.

2. Right-click document **NCHKLST New checklist** and select **Copy**.

3. Expand folders **Planning | Overall Audit Strategy**.

4. Right-click the **Overall Audit Strategy** folder and select **Paste**.

   Note: It is recommended that you add Optimiser checklist documents near the top of the document manager / workflow panel or in an area from where users start their engagements. This ensures that only the relevant documents and procedures are completed for the engagement.

5. Right-click the new document and select **Properties**.

6. Change the document **Number** to **OPT1** and document **Name** to **Optimiser checklist**.

---

7. Click **OK**.

8. Open the new document.

9. In the Document Properties dialog, under the Procedure Response area, select the options **No, Yes** and **N/A**.
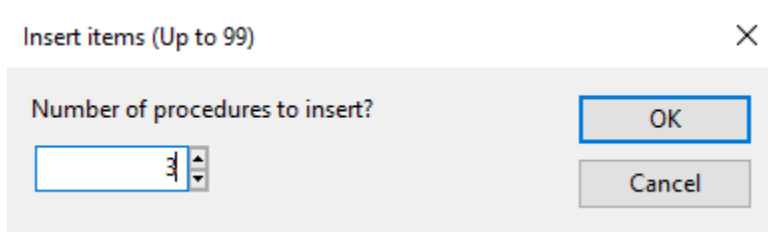

10. Click **OK**.

Results

A new Optimiser checklist is created and added to the Document Manager.

6.1.2 Objective: Insert new procedures

1. Right-click anywhere on the first procedure and select **Insert New Procedure**.
2. Change the **Number of procedures to insert** to **3** and click **OK**.

3. Type **Risks** as the **Name** of the procedure and click **OK**.

   Note: When adding more than one procedure, procedures will have the same name followed by a number.

4. Type the **Procedure** and **Name** texts as follows:

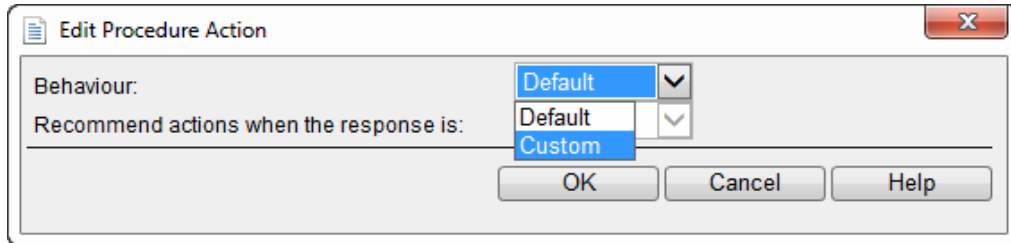| Procedure	Name
2. Does the client include sales in foreign currencies?	Risks
3. Does the client maintain significant physical cash on hand?	Documents
4. Does the client require foreign translation?	Procedures

5. Save the document.

Results

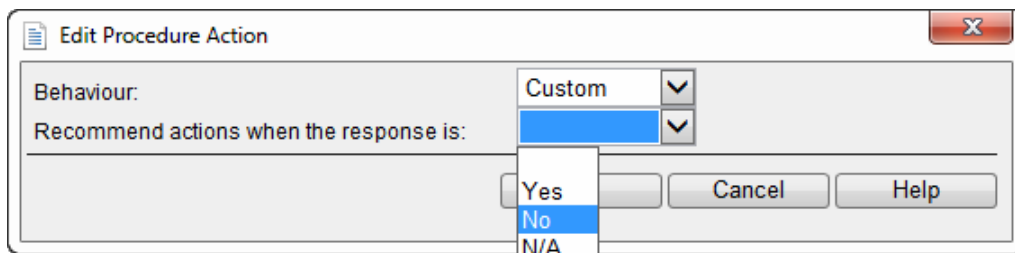The new procedures are inserted into the new Optimiser checklist.

6.1.3 Objective: Define procedure actions
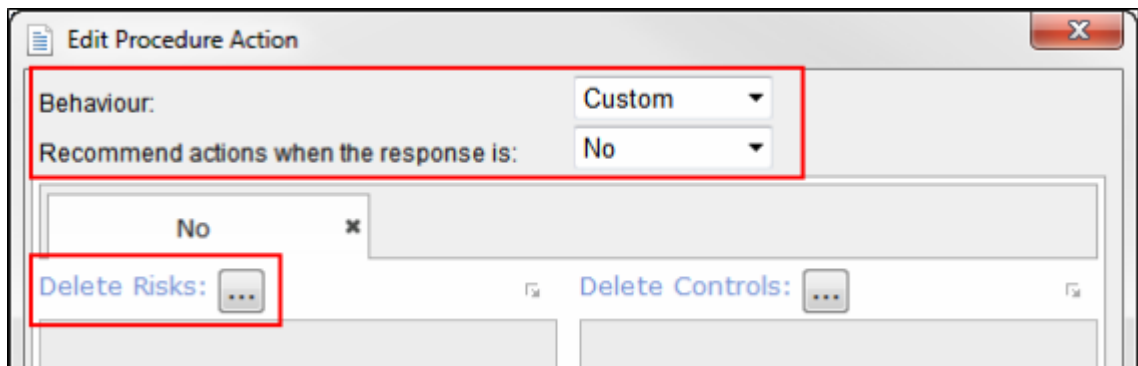
6.1.3.1 Delete risks

1. Right-click the Risks procedure and select **Edit Procedure Action**.

2. Select **Custom** from the **Behavior** drop-down menu.

3. Select **No** from the **Recommend actions when the response is** drop-down menu.

4. Click the **Delete Risks** button [...] to choose from the pre-populated risks in the master template.

5. Select the risk to delete and click **OK**.
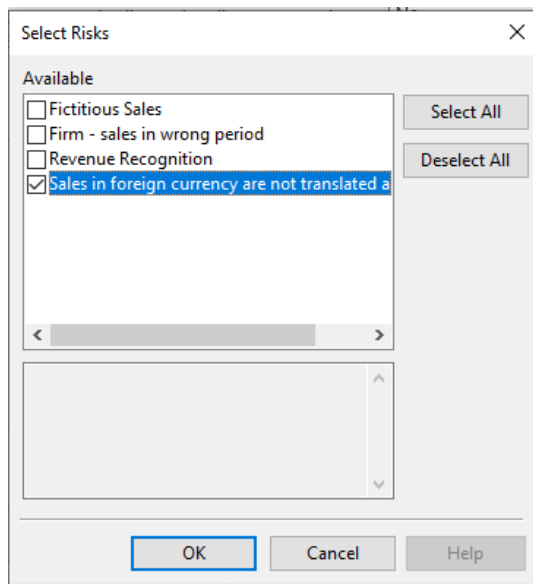
6. Click **OK** in the Edit Procedure Action dialog.

7. Close and save the document.

Results

The selected risk is deleted from the Risk procedure, which is saved to the Optimiser checklist document.

6.1.3.2 Delete documents

1. In the Document Manager, select **Audit Plans And Procedures – Assets | Cash And Cash Equivalents**.

2. Right-click document **140.115 Cash count procedures** and select **Tags**.

3. Type **CashOnHand** in the new tag box and click **+** on the right side of the dialog.

4. Close the Tags dialog by clicking on the **x** at the top right corner of the dialog.

5. Open document **OPT1 Optimiser checklist** by selecting **Planning | Overall Audit Strategy**.

6. Right-click the Documents procedure and select **Edit Procedure Action**.

7. Select **Custom** from the **Behavior** drop-down menu.

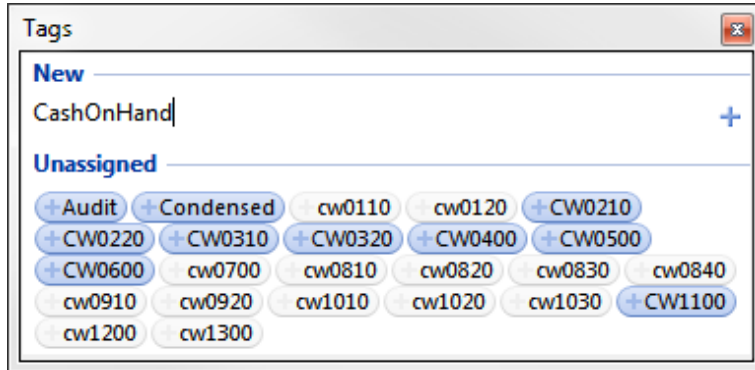8. Select **No** from the **Recommend actions when the response is** drop-down menu.

9. Select **with any of the following tags** from the **Delete documents** drop-down menu.

10. Click on the **+** part of the **CashOnHand** tag in the Tags dialog. Click **OK**.

11. Click **OK** in the Edit Procedure Action dialog.

12. Close and save the document.

Results

The selected tag is deleted from the Documents procedure, which is saved to the Optimiser checklist document.

Note: When the user opens any work program document in the engagement file, the Audit Optimiser program removes specific procedures based on the answers in the Optimiser checklist document.

6.1.3.3 Delete work program procedures

1. In the Document Manager, select **Audit Plans And Procedures – Assets | Cash And Cash Equivalents**.

2. Open document **140.101 Cash - Audit procedures**.

3. Right-click procedure **12 Translation** and select **Tag Procedures**.
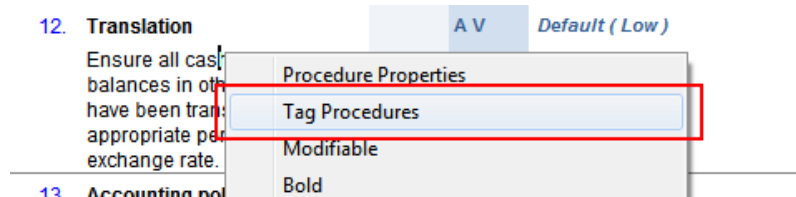
4. Type **Translation** in the new tag box and click **+** on the right side of the dialog.
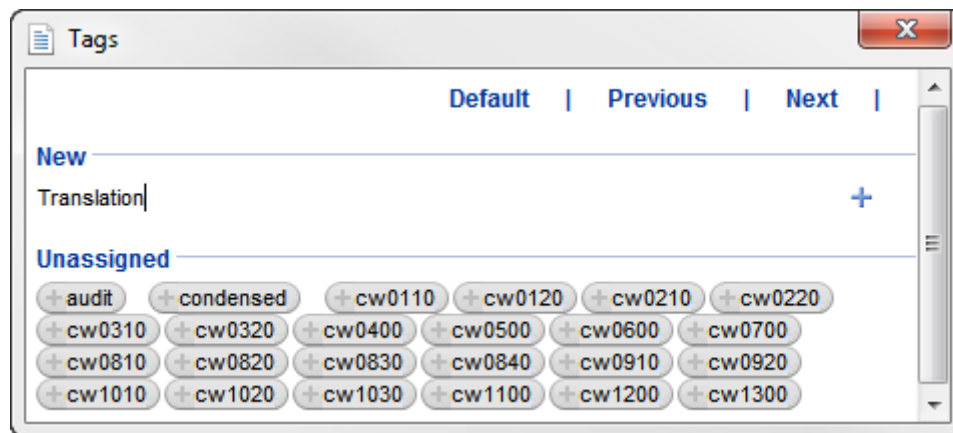
5. Close the Tags dialog by clicking on the **x** at the top right corner of the dialog.

6. Select **Options | Display Procedure Tags** to view tags.

7. To view tags, select from the **Options** menu, **Display Procedure Tags**.

8. Close and save document **140.101 Cash - Audit procedures**.

9. Return to document **OPT1 Optimiser checklist** by selecting **Planning | Overall Audit Strategy**.

10. Right-click the Procedures procedure and select **Edit Procedure Action**.

11. Select **Custom** from the **Behavior** drop-down menu.

12. Select **No** from the **Recommend actions when the response is** drop-down menu.

13. Select **with any of the following tags** from the **Delete procedures** drop-down menu.

14. Click on the **+** part of the **Translation** tag in the Tags dialog. Click **OK**.

15. Select **N/A** from the **Recommend actions when the response is** drop-down menu.

    Note: You can define multiple procedure actions for any checklist procedure.

16. Select **with any of the following tags** from the **Delete procedures** drop-down menu.

17. Click on the **+** part of the **Translation** tag in the Tags dialog. Click **OK**.

18. Click **OK** in the Edit Procedure Action dialog.

19. Close and save the document.

Results:

The selected tag is deleted from the Procedures procedure, which is saved to the Optimiser checklist document.

To access the **Author's Action Report**, select **Author | Author's Action Report**.

				Procedures		Documents			Risks			Controls	
[+]	Author	Procedure Name	Responses	Criteria	Tag	Criteria	Tag	Name	Name	Document	Procedure Short Name	Name	Associated Risks
		1.Default Procedure	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
		1.a.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
[-]	Firm	2.Risks	No	Delete procedures without any of the following tags	N/A	Delete documents without any of the following tags	N/A	N/A	• Sales in foreign currency are not translated accurately	N/A	N/A	N/A	N/A
[-]	Firm	3.Documents	No	Delete procedures without any of the following tags	N/A	Delete documents with any of the following tags	cashonhand	[140.115] Cash count procedures	N/A	N/A	N/A	N/A	N/A
[-]	Firm	4.Procedures	No	Delete procedures with any of the following tags	Translation	Delete documents without any of the following tags	N/A	N/A	N/A	N/A	N/A	N/A	N/A
			N/A	Delete procedures with any of the following tags	Translation	Delete documents without any of the following tags	N/A	N/A	N/A	N/A	N/A	N/A	N/A

7 Practice Set – Content management

7.1 Content management

At the end of this practice set, you will be able to:

- Tag a document as required.

- Manage procedure content updates to client files.

- Manage document updates to client files.

7.1.1 Objective: Tag a document as required

1. In the Document Manager, select **Planning | Materiality**.

2. Right-click document **420. Materiality (Core)** and click **Tags**.

3. Click on the **+** part of the **CWI_REQ_TAG** tag in the Tags dialog to tag the document as Required.

4. Close the Tags dialog by clicking on the **x** at the top right corner of the dialog.

<u>**Results**</u>

The document is tagged as Required.

Note: Required documents cannot be deleted by the Audit Optimiser or Profile Features. Required documents are automatically updated when the template is updated.

7.1.2 Objective: Manage procedure content updates to client files

1. In the Document Manager, select **Audit Plans And Procedures – Assets | Cash And Cash Equivalents**.

2. Open document **140.101 - Cash - Audit procedures**.
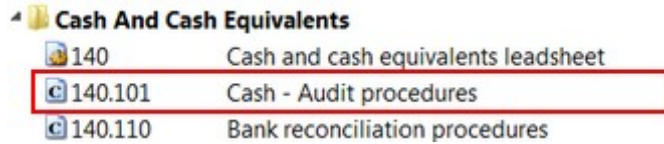
3. Right-click procedure **Analytical procedures** and select **Modifiable**.

4. In the **Ver** column, change the version **2.0** to version **3.0.**

5. Close and save the document.

6. Right-click document **140.101 - Cash - Audit procedures** and select the **Properties**.

7. In the Document Properties dialog, select the **Template** tab.

8. In the **Content Version** field, change **1.0.0.0** to **1.0.0.1**.

9. Click **OK**.

   Note: As a firm author, in practice, you will only need to change the third and fourth digit.

Results

The changes are updated in the master template.

When the user opens the engagement file, an **Update from Template** notification will display. The user will need to update these changes to the engagement file.

7.1.3 Objective: Manage document updates to client files

1. In the Document Manager, select **CaseWare Audit System Documents | New Master Documents**.

2. Right-click document **LETTER Sample letter** and select **Properties**.

3. In the Document Properties dialog, click the **Template** tab.

4. In the **Document Version** box, change the version number to **1.0.0.1**.

5. Click **OK**.

   Note: As a firm author in practice, you will only need to change the third and fourth digit.

Results

The changes are updated in the master template.

When the user opens the engagement file, an **Update from Template** notification will display. The user will need to update these changes to the engagement file.

8 Practice Set – Repackage the master template

8.1 Repackage the master template

At the end of this practice set, you will be able to:
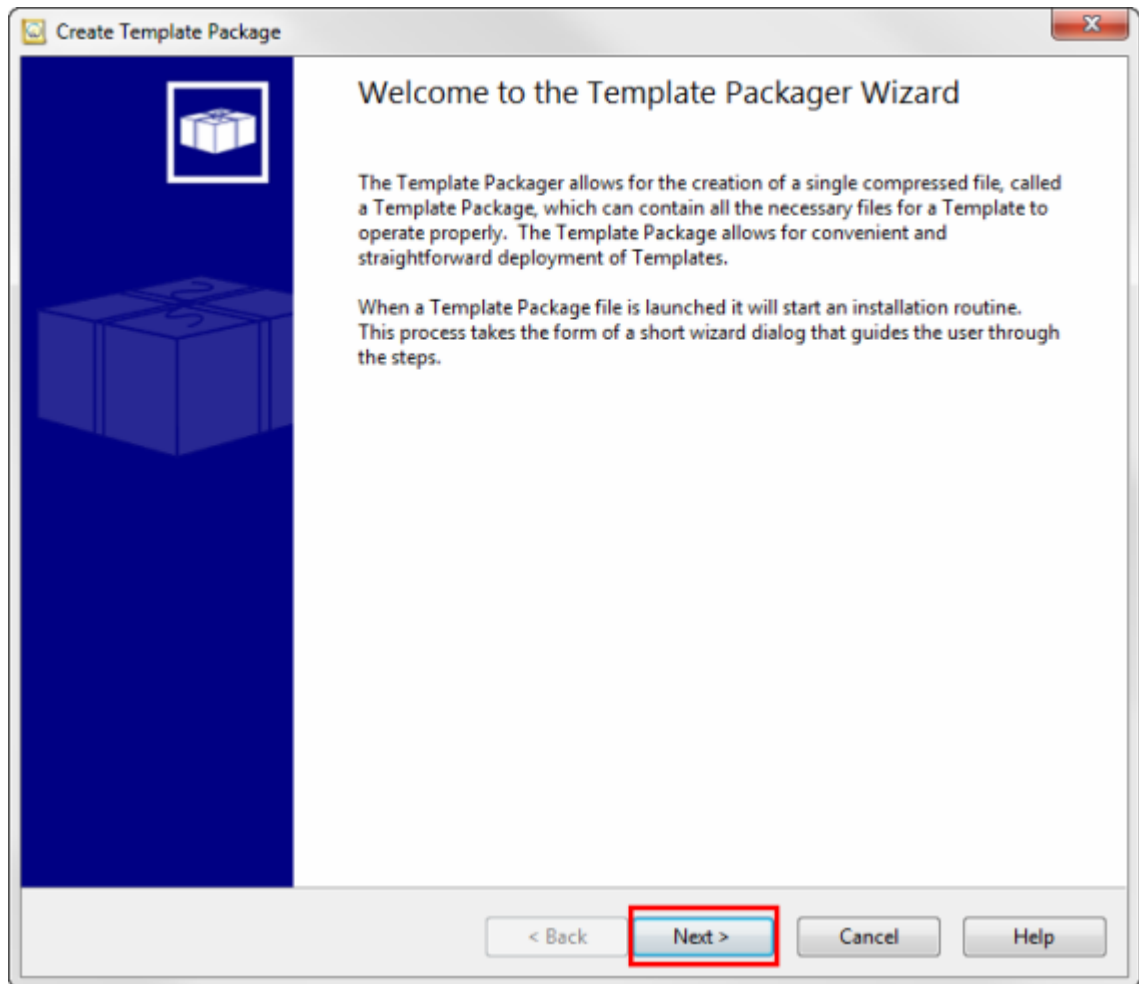
- Repackage the master template file.

8.1.1 Objective: Repackage the master template file

1. Launch Working Papers.

2. On the ribbon menu, select **Tools | Templates**.

3. Select the **Audit** template and then select **Repackage**.

   Note: The **Repackage** button displays only if you are in the master template.

4. Select **Next** in the **Template Packager Wizard**.

5. The Global Options page opens. Select **Browse** to change the location and file name of the template package file.

6. Click **Finish** on the wizard.

   Note: Once repackaging is complete, the wizard displays a message indicating that the process was successful.

7. Click the **Close** button to exit.

Results:

A template package file, with the extension. cwp, is created.

After distributing the template package file, your users can double-click the .cwp file and start the installation process.

Note: The distribution process is the same for the initial installation of a firm-customized template and any subsequent updates.