

RISK ANALYSIS MATRIX Instructions

Descriptive data

Enter the descriptive data of the audit file to be processed:

Client name:	<input type="text"/>
Reference :	<input type="text"/>
Year-end date:	<input type="text"/>

Retrieve, if applicable, the information from the previous release of Pack SMEs, by clicking this button:

Copy out

Warning: please wait, this process may take a few minutes!

1. Objective

This analysis matrix helps the auditor to:

- document the assessment of risk of material misstatements at the assertion level, for classes of transactions, account balances, and disclosure in the financial statements;
- design the audit procedures responsive to this assessment.

2. Progress of analysis

The analysis is conducted in successive steps:

- assessment of inherent risks
(see sheet "1. Inherent risks")
- internal control consideration and tests of controls to perform
(see sheet "2. IC and Tests of controls")
- summary of assessment of the risks of material misstatements
(see sheet 3. Risk assessment summary)
- design of the substantive procedures to perform
(see sheet "4. Substantive procedures")
- audit program
(see sheet "5. Audit program")

3. Program's functions

Double left click into a cell to open the input box for the risk assessment. This input box includes an area that reminds you of the analysis performed in the previous steps.

The following **color codes** are used to carry out the risk assessment:

No risk or immaterial
LOW Risk
MODERATE Risk
HIGH Risk Including SIGNIFICANT RISK

The tests of controls entered into sheet 2 and the substantive procedures entered into sheet 4 appear automatically into sheet "5. Audit program".

4. Details on risk assessment

Illustrative examples are provided in the input boxes for each step (inherent risks, internal controls, substantive procedures). These examples should be tailored and supplemented according to the features and characteristics of the audit engagement. The examples of inherent risks with a probable fraud risk are identified with (F).

The risk level entered into a cell appears automatically in the corresponding cell at the next steps; the auditor should keep this risk level or reduce it in accordance with the analysis performed at those steps.

Any change of the risk level at step "1. Inherent risks" will have an effect on the following steps by overwriting the risk levels previously entered.