

## Auditing fixed asset records

This article will illustrate the application of many commonly performed audit tasks. Although the audit procedures shown will be used for tests of fixed assets, many of these same procedures could be used in a variety of situations. For each audit objective listed, the applicable procedures using Web CAAT will be shown. The advantages of Web CAAT are 1) because it is Internet based, sharing of audit data and procedures between auditors is simplified, 2) because it is based on powerful open source software, it can be readily extended by those persons having some knowledge of scripting languages, 3) being based on the MySQL database, it is possible to leverage many of the built-in capabilities of that system, and 4) being open source, there are no license fees involved for the software.

This article will walk through the following steps, providing screen shots where applicable:

1. Take audit data from an Excel work sheet and import it into the database in order to perform a variety of audit analytics
2. Go through a series of audit procedures which are commonly performed and can be readily adapted to other audits
3. Show how results of the tests can be interpreted and used as part of audit support

The data used can be downloaded from an Excel workbook. It consists of approximately 5,000 rows of data representing fixed asset records for assets at a variety of locations.

Key elements of the data include:

- Cost – the acquisition cost of the fixed asset
- AD – prior years' accumulated depreciation
- Acqdate – the date the asset was acquired
- Tagno – a fixed asset tag number for identification
- Location – the code for the location where the asset has been placed in service

## Auditing fixed assets with Web CAAT

### Loading the data from Excel

Before the data can be analyzed using the system, it is necessary to first load it into the database. The Excel sheet where the data resides appears as follows:

Fixed asset records for Company ABC										
Cost information				Depreciation information				Calendar Year 2010		
TagNo	Cost	AD	Replace	Bookval	Salvage	Depr	Life	Location	AcqDate	A
2587	\$4,377.00	1780.007	\$1,313.00	2596.99	875	356.0014	9	XSF	17-Jan-09	A
4721	\$436.00	176.4384	\$131.00	259.56	87	35.28769	3	XSF	9-Feb-10	A
5255	\$6,331.00	2556.597	\$1,899.00	3774.4	1266	511.3194	11	XSF	30-Jun-11	A
2781	\$5,034.00	2021.94	\$1,510.00	3012.06	1007	404.388	6	XSF	21-May-10	A
5068	\$1,322.00	1058	\$397.00	264	264	106.1496	9	XSF	5-Oct-09	A
3052	\$0.00	7458	\$2,797.00	1865	1865	761.8721	10	XSF	13-Jun-10	A
2097	\$794.00	318.9716	\$238.00	475.03	159	63.79432	10	XSF	12-Apr-10	A
4356	\$3,579.00	1466.998	\$1,074.00	2112	716	293.3997	6	XSF	17-Aug-09	A
4135	\$9,922.00	4027.746	\$2,977.00	5894.25	1984	805.5491	10	XSF	7-Nov-09	A
3603	\$4,700.00	1912.569	\$1,410.00	2787.43	940	382.5138	7	XSF	7-Aug-09	A
2567	\$1,589.00	637.6959	\$477.00	951.3	318	127.5392	9	XSF	28-Aug-10	A
2090	\$2,280.00	925.8681	\$684.00	1354.13	456	185.1736	7	XSF	22-May-09	A
3923	\$6,214.00	4971	\$1,864.00	1243	1243	1665	8	XSF	22-Nov-10	A
2186	\$3,581.00	1450.196	\$1,074.00	2130.8	716	290.0392	8	XSF	18-Dec-09	A
3466	\$3,100.00	1264.548	\$930.00	1835.45	620	252.9096	9	XSF	26-Dec-09	A
2916	\$9,593.00	3876.45	\$2,878.00	5716.55	1919	775.2901	12	XSF	26-Dec-09	I

There are several things which need to be done to ready this data for import. First, only the column names are needed at the top of the sheet. Information such as titles or other information which does not consist of actual data should be removed.

Also, any numeric data which contains currency codes or commas for thousands separators must be formatted to include only digits, decimal points and an optional sign to indicate negative amounts (if present).

Dates must be formatted as mm/dd/yy.

Going down a little further on the form it can be seen that the data contains sub-total information.

4957	\$5,273.00	2159.034	\$1,582.00	3113.97	1055	431.8067	4	XSF	29-Sep-10	A
1602	\$7,411.00	3024.341	\$2,223.00	4386.66	1482	604.8682	9	XSF	23-Jul-09	A
4416	\$7,217.00	2936.12	\$2,165.00	4280.88	1443	587.224	8	XSF	8-Sep-10	A
2038	\$9,962.00	5751	\$2,989.00	4211	1992	1150.2	10	XSF	30-Aug-11	A
5215	\$7,922.00	3194.503	\$2,377.00	4727.5	1584	638.9007	7	XSF	28-Jul-09	A
4868	\$7,613.00	6090	\$2,284.00	1523	1523	513.4	5	XSF	31-Jul-11	A
3935	\$9,197.00	3745.109	\$2,759.00	5451.89	1839	749.0219	6	XSF	12-Mar-10	A
3053	\$7,693.00	3107.013	\$2,308.00	4585.99	1539	621.4027	12	XSF	19-Apr-11	I
1785	\$4,463.00	1794.282	\$1,339.00	2668.72	893	358.8564	10	XSF	9-Feb-09	A
4672	\$8,042.00	6434	\$2,413.00	1608	1608	1697.8	4	XSF	3-Apr-11	A
4108	\$858.00	344.3169	\$257.00	513.68	172	68.86338	4	XSF	23-Sep-10	A
	\$245,654.00	120085.2						<b>XSF Total</b>		
3396	\$3,735.36	1723.55	\$1,121.00	2011.81	747	3735.362	1	PE	9-Apr-11	A
4588	\$5,433.61	2581.78	\$1,630.00	2851.83	1087	417.9697	13	PE	9-Mar-09	A
4558	\$1,054.53	685.96	\$316.00	368.57	211	100	0	PE	9-Jul-09	A
	\$10,223.50	4991.29						<b>PE Total</b>		
4407	\$2,268.66	1228.4	\$681.00	1040.26	454	567.165	4	PA	1-Jul-10	A
4514	\$2,637.93	1757.38	\$791.00	880.55	528	164.8706	16	PA	9-Nov-10	A
2859	\$4,921.66	3384.68	\$1,476.00	1536.98	984	4921.656	1	PA	3-Apr-10	A
3902	\$3,262.06	1826.91	\$979.00	1435.15	652	1087.354	3	PA	8-Dec-10	A
	\$13,090.31	8197.37						<b>PA Total</b>		

## Auditing fixed assets with Web CAAT

All sub-total and grand total information must also be removed. In this case, this can be done using the subtotal command – remove subtotals.

Also any grand totals or other information contained at the bottom of the form should also be removed.

4063	2868	\$3,936.00	1606.937	\$1,181.00	2329.06	787	321.3874	11 AB	15-Feb
4064	1314	\$2,859.00	1147.254	\$858.00	1711.75	572	229.4509	8 AB	18-Mar
4065	3138	\$2,741.00	1121.208	\$822.00	1619.79	548	224.2417	7 AB	7-Jun
4066	4760	\$8,907.00	3597.919	\$2,672.00	5309.08	1781	719.5837	7 AB	11-Aug
4067	4233	-\$9,282.00	3715.479	\$2,785.00	5566.52	1856	743.0958	9 AB	26-May
4068	1509	\$1,743.00	711.4642	\$523.00	1031.54	349	142.2928	10 AB	16-May
4069	4048	\$2,261.00	926.3499	\$678.00	1334.65	452	185.27	11 AB	1-Feb
4070	3925	\$5,306.00	2139.146	\$1,592.00	3166.85	1061	427.8292	9 AB	2-Feb
4071	4785	\$341.00	137.3618	\$102.00	203.64	68	27.47236	7 AB	23-Oct
4072	3476	\$9,110.99	3723.843	\$2,733.00	5387.15	1822	744.7686	4 AB	3-Aug
4073	1982	\$7,827.00	3144.758	\$2,348.00	4682.24	1565	628.9515	4 AB	26-May
4074	3491	\$8,687.00	3531.45	\$2,606.00	5155.55	1737	706.29	8 AB	5-Nov
4075	2497	\$7,189.00	2945.9	\$2,157.00	4243.1	1438	589.18	9 AB	10-Feb
4076	3048	\$9,755.00	3996.253	\$2,926.00	5758.75	1951	799.2505	10 AB	17-Dec
4077	2722	\$5,270.00	2116.766	\$1,581.00	3153.23	1054	423.3532	11 AB	4-Dec
4078	2290	\$7,436.00	2989.433	\$2,231.00	4446.57	1487	597.8867	7 AB	3-Jun
4079	2727	\$2,640.00	1065.784	\$792.00	1574.22	528	213.1567	6 AB	21-Feb
4080	1641	\$3,534.73	2221.75	\$1,060.00	1312.98	707	3534.727	1 AB	2-Sep
4081	1290	\$8,274.12	6002.31	\$2,482.00	2271.81	1655	636.4706	13 AB	8-Aug
4082		\$961,965.98	457795.9					<b>AB Total</b>	
4083		\$18,165,270.54	8673997					<b>Grand Total</b>	
4084									

Once all this information which is not needed has been removed, and the numeric and date values formatted consistently, the data will appear as follows:

A	B	C	D	E	F	G	H	I	J
TagNo	Cost	AD	Replace	Bookval	Salvage	Depr	Life	Location	AcqDate
2587	4377.00	1780.007	1313.00	2596.99	875	356.0014	9	XSF	1/17/09
4721	436.00	176.4384	131.00	259.56	87	35.28769	3	XSF	2/9/10
5255	6331.00	2556.597	1899.00	3774.4	1266	511.3194	11	XSF	6/30/11
2781	5034.00	2021.94	1510.00	3012.06	1007	404.388	6	XSF	5/21/10
5068	1322.00	1058	397.00	264	264	106.1496	9	XSF	10/5/09
3052	0.00	7458	2797.00	1865	1865	761.8721	10	XSF	6/13/10
2097	794.00	318.9716	238.00	475.03	159	63.79432	10	XSF	4/12/10
4356	3579.00	1466.998	1074.00	2112	716	293.3997	6	XSF	8/17/09
4135	9922.00	4027.746	2977.00	5894.25	1984	805.5491	10	XSF	11/7/09
3603	4700.00	1912.569	1410.00	2787.43	940	382.5138	7	XSF	8/7/09
2567	1589.00	637.6959	477.00	951.3	318	127.5392	9	XSF	8/28/10
2090	2280.00	925.8681	684.00	1354.13	456	185.1736	7	XSF	5/22/09
3923	6214.00	4971	1864.00	1243	1243	1665	8	XSF	11/22/10
2186	3581.00	1450.196	1074.00	2130.8	716	290.0392	8	XSF	12/18/09
3466	3100.00	1264.548	930.00	1835.45	620	252.9096	9	XSF	12/26/09
2916	9593.00	3876.45	2878.00	5716.55	1919	775.2901	12	XSF	12/26/09
3351	2668.00	1077.36	800.00	1590.64	534	215.4721	10	XSF	8/1/10
2628	6102.00	2483.623	1831.00	3618.38	1220	496.7246	11	XSF	5/1/10
1408	3086.00	1253.864	926.00	1832.14	617	250.7727	8	XSF	4/15/09
2563	7420.00	2992.01	2220.00	4427.00	1496	598.5910	10	XSF	2/22/10

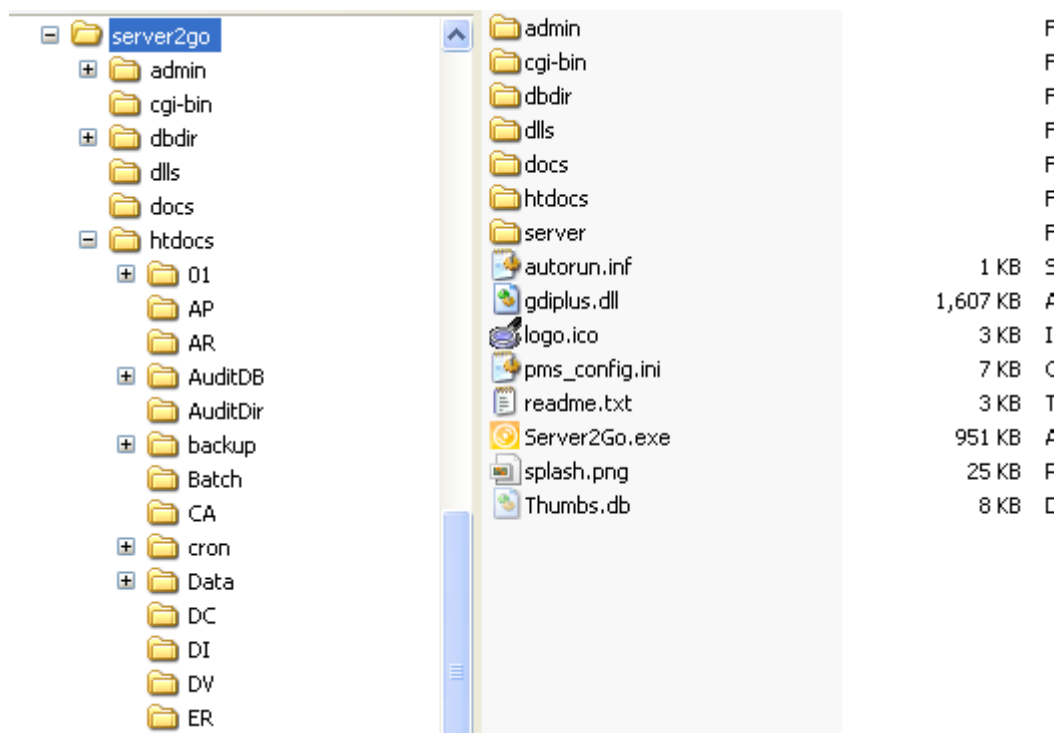
It can be seen that this data consists of only column headers and rows of data, with no blank lines included.

## Auditing fixed assets with Web CAAT

### Saving the data

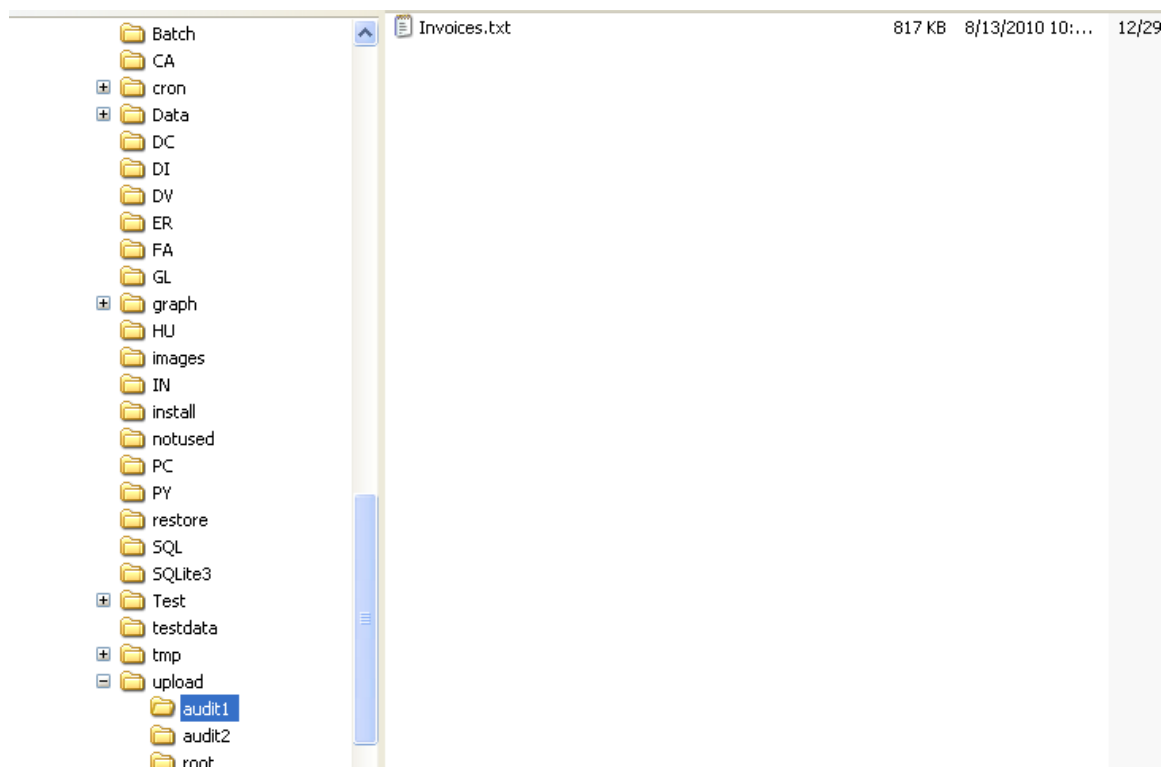
In order to import the data into the system it must be saved in delimited format. Excel provides this ability to save a sheet as tab delimited values. The data will be saved to a special directory in the Web CAAT folder in order that it can be easily imported.

Although the Web CAAT server software can be saved and used in any folder, the screen shot below illustrates how it appears when it has been saved to a root folder on the “C:” drive.



## Auditing fixed assets with Web CAAT

Within the folder “htdocs” there is a folder named “upload” as shown below:



The data from the Excel sheet will be saved into this folder and have the full name C:\Servber2Go\htdocs\upload\audit1\fixedassets.txt.

The name “audit1” is used because when the data is imported, the default sign on for the WebCAAT system, namely “audit1” will be used. Note that the upload folder should have a separate sub-folder for each id which may be used. In the example shown here there are three sub-folders for use – 1) audit1, 2) audit2 and 3) root.

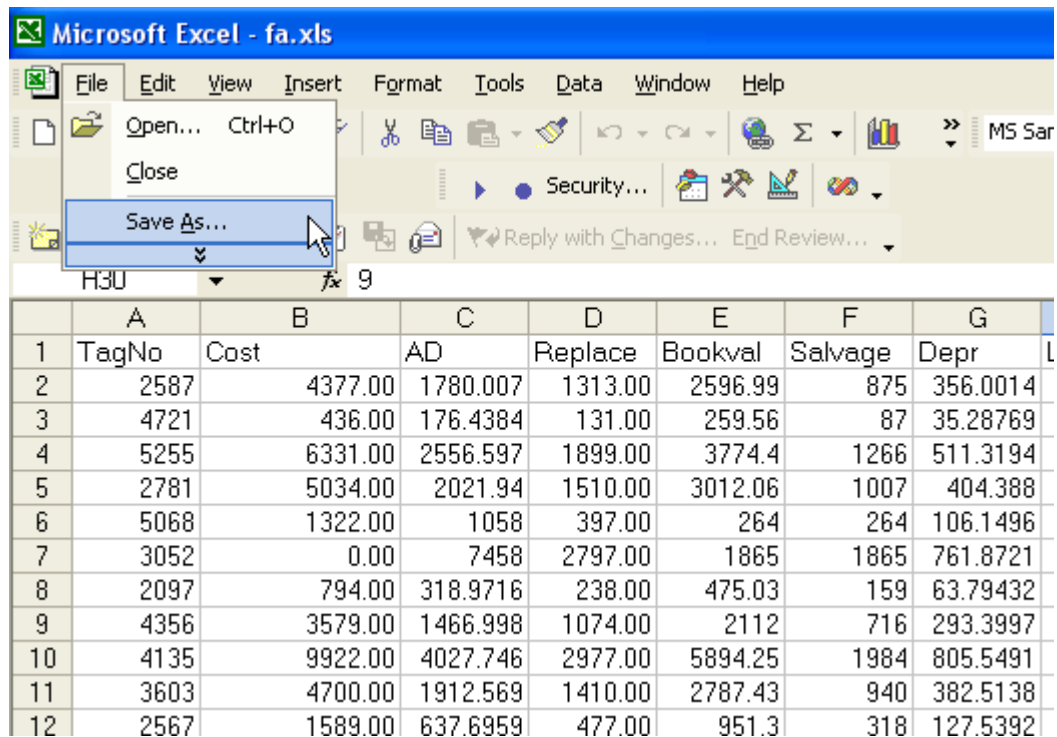
### Saving the Excel data

The data on the sheet is saved using the File | Save As menu and specifying that the save format is Text (tab delimited) values.

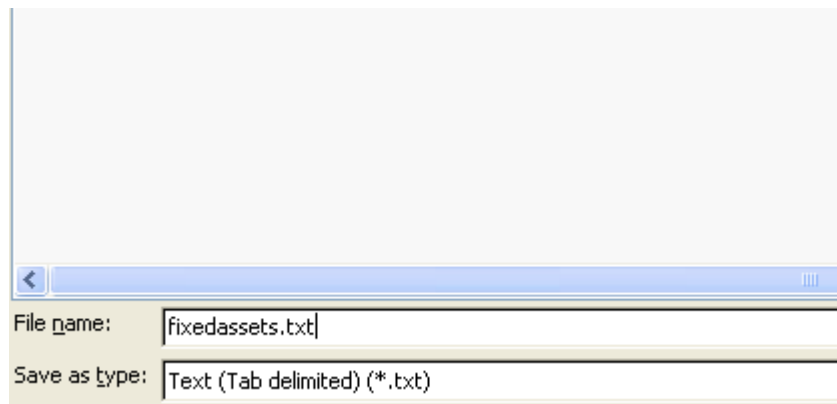
## Auditing fixed assets with Web CAAT

The process to save the data on the sheet to a delimited file is as follows:

Step 1 – Select the menu item “File | Save As”

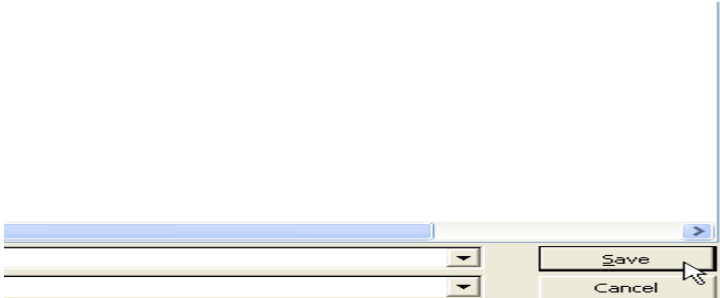


Step 2 – Select the format Text (tab delimited)

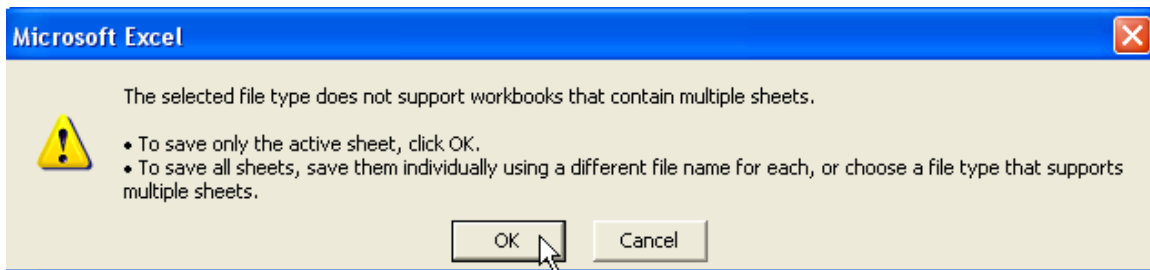


Step 3 – Click “Save”

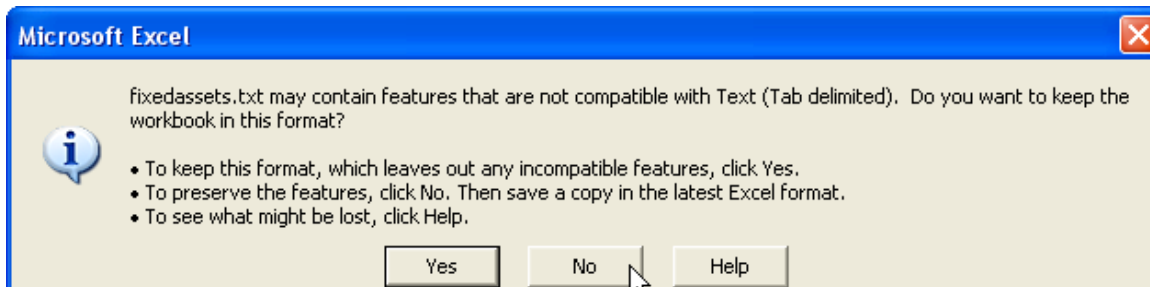
## Auditing fixed assets with Web CAAT



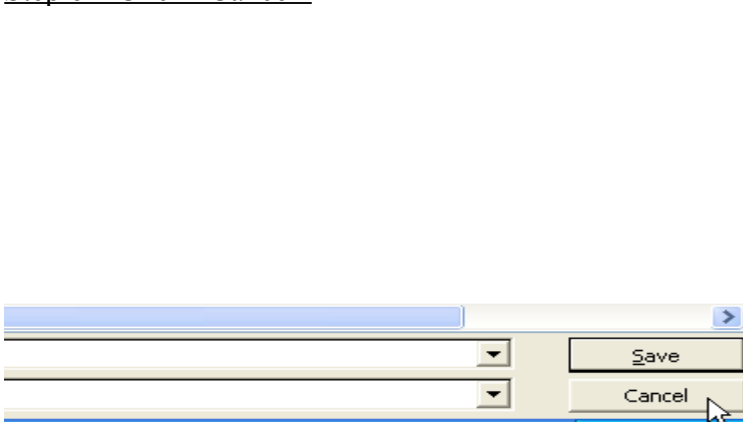
Step 4 – Warning message appears, click “OK”



Step 5 – Additional warning message – Click “No”



Step 6 – Click “Cancel”

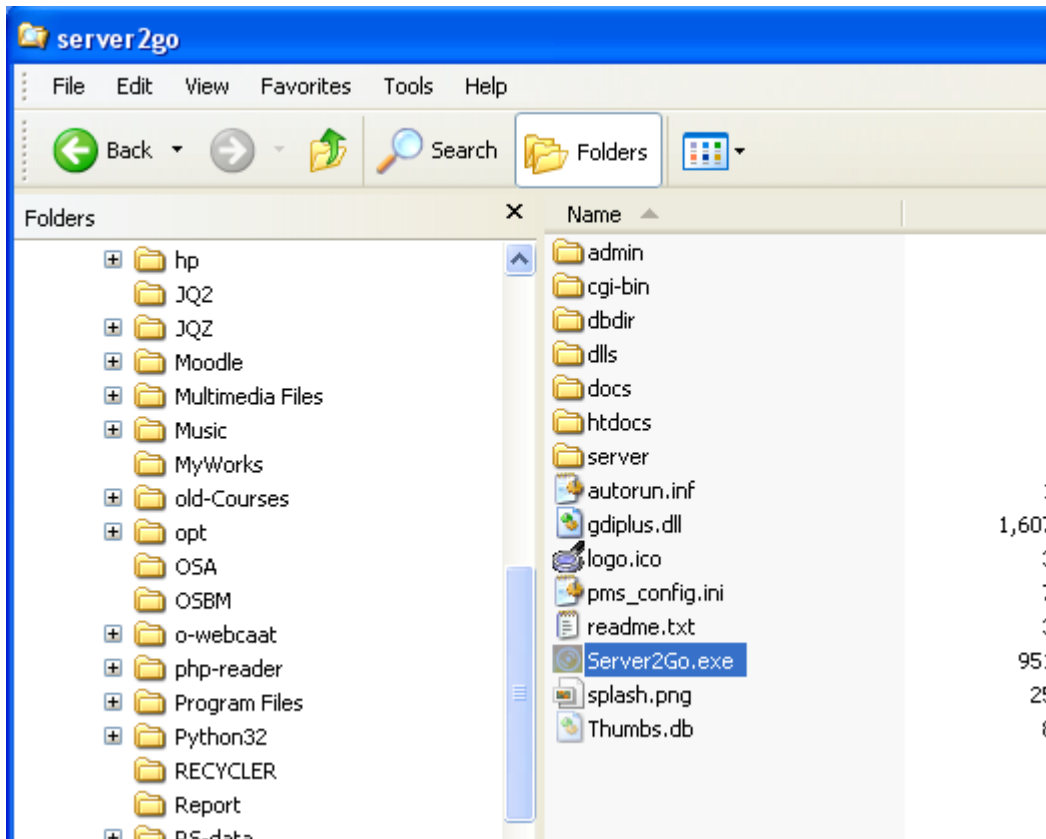


## Auditing fixed assets with Web CAAT

The file has now been saved and is ready to be imported using Web CAAT.

The procedures using Web CAAT are as follows:

Step 1 – Start the Web CAAT system (if it is not already started) by clicking on the program, “Server2Go.exe”.



The system starts. Login by clicking the “Sign-in” button or by entering a user id and password (default is “audit1” and a password of “audit1”).



## Auditing fixed assets with Web CAAT

Index page (index.php) - Mozilla Firefox

File Edit View History Bookmarks Tools Help

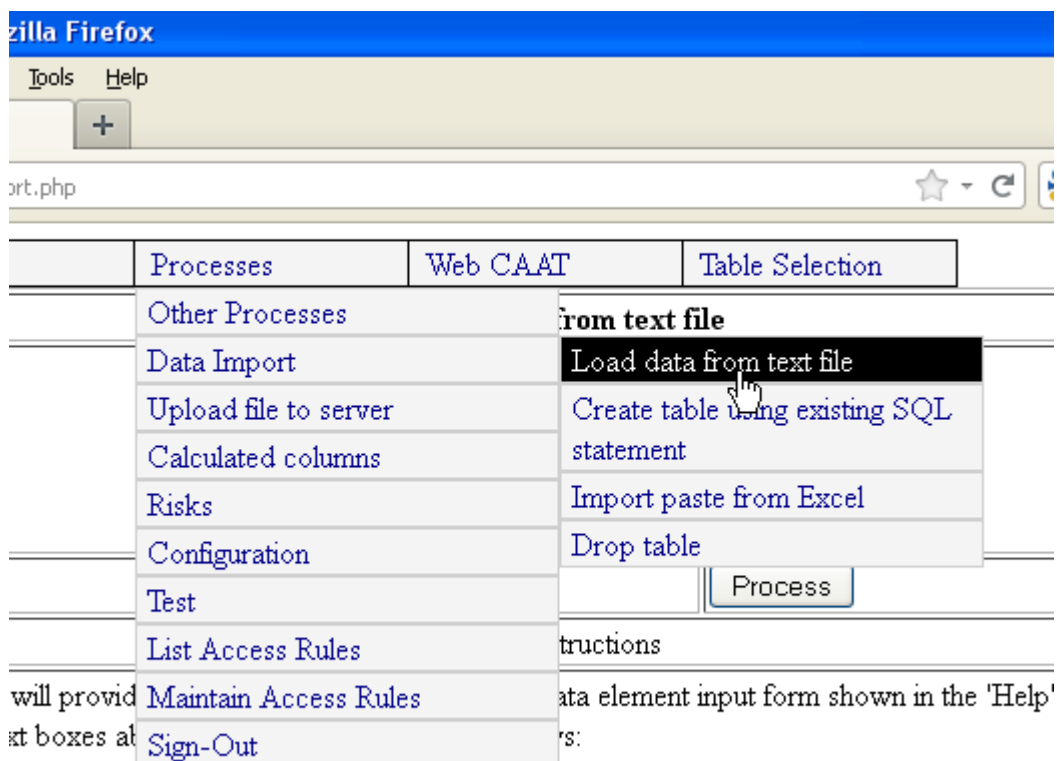
Index page (index.php) +

127.0.0.1

Audits	Functions	Processes	Web CAAT
<b>Sign in to server at 1</b>			
User id	<input type="text" value="audit1"/>		
Password	<input type="password" value="....."/>		
Database	<input type="text" value="test"/>		
Host	<input type="text" value="localhost"/>		
Auditor	<input type="text" value="Im N Auditor"/>		
Audit Folder	<input type="text" value="Work"/>		
Server path	<input type="text" value="C:/server2go/htdocs"/>		
<input type="button" value="Sign-in"/>			

The opening form is displayed. Click “sign-in” and then select the menu item for data import “Processes|Data import| Load data from text file”

## Auditing fixed assets with Web CAAT



the text file containing the data to be loaded.

All of the files in the upload folder are displayed, select the file to be imported, which in this case is called fixedassets.txt.

Audits	Functions	Processes	Web CAAT	Table Selection
<b>Import data from text file</b>				
Import data from text file			<div> fixedassets.txt  Invoices.txt </div>	
			<input type="button" value="Process"/>	
Form instructions				
<p>For some forms, the <b>mouse over</b> will provide a description or purpose of the data element input form shown in the particular, the information in the text boxes above should be completed as follows:</p> <ul style="list-style-type: none"> <li>○ Select the name of the text file containing the data to be loaded.</li> <li>1</li> <li>○ Once all information has been entered, click the "Process" button to view the results.</li> <li>○ Results will also be stored at the location specified for the workpapers to be stored.</li> </ul>				
<b>Id</b>	<b>Table</b>	<b>Database</b>	<b>Audit</b>	
audit1	(not set)	test	Im N Auditor	

## Auditing fixed assets with Web CAAT

Clicking the process button displays a form where the data can either be imported into an existing table or else create a new table. In this case a new table will be created, so the form is scrolled to the bottom.

<a href="#">Audits</a>	<a href="#">Functions</a>	<a href="#">Processes</a>	<a href="#">Web CAAT</a>
------------------------	---------------------------	---------------------------	--------------------------

Entering function determine delimiters

<b>File Upload</b>		
Id	audit1	
Database	test	
Instructions	Actions to take depend upon whether the data is to be loaded or to contain the data upload.	
Instructions to load data into a new table		
<ul style="list-style-type: none"> <li>For any column which contains date information, ensure that the format of the column is type date, but is not, correct it</li> <li>Select the name of the table into which the data is to be loaded from the dropdown</li> <li>If existing data is to be replaced indicate with 'Y' in the textbox, otherwise leave blank</li> <li>Click the button 'Existing table'</li> </ul>		
Instructions to load data into an existing table		
<ul style="list-style-type: none"> <li>Check the specified format for each column and make changes as necessary by clicking on the column header</li> </ul>		

## Auditing fixed assets with Web CAAT

The name of the table is entered, in this case “fixedassets”. The column types for the remaining columns are checked.

Create new table		
Dest Table	<input type="text" value="fixedasset"/>	
Lines to skip	<input type="text" value="1"/>	
Delimiter	<input type="text" value="\t"/>	
Enclosure	<input type="text" value=""/>	
Column Name	Column type	Width
TagNo	Decimal <input type="button" value="v"/>	10 <input type="text"/>
Cost	Decimal <input type="button" value="v"/>	10 <input type="text"/>
AD	Decimal <input type="button" value="v"/>	10 <input type="text"/>
Replace	Decimal <input type="button" value="v"/>	10 <input type="text"/>
Bookval	Decimal <input type="button" value="v"/>	10 <input type="text"/>
Salvage	Decimal <input type="button" value="v"/>	10 <input type="text"/>
Depr	Decimal <input type="button" value="v"/>	10 <input type="text"/>
Life	Decimal <input type="button" value="v"/>	10 <input type="text"/>
Location	Variable Character <input type="button" value="v"/>	50 <input type="text"/>

## Auditing fixed assets with Web CAAT

Once the values have been checked, the “New Table” button is clicked.

Replace	Decimal <span style="float: right;">▼</span>	10
Bookval	Decimal <span style="float: right;">▼</span>	10
Salvage	Decimal <span style="float: right;">▼</span>	10
Depr	Decimal <span style="float: right;">▼</span>	10
Life	Decimal <span style="float: right;">▼</span>	10
Location	Variable Character <span style="float: right;">▼</span>	50
AcqDate	Date <span style="float: right;">▼</span>	
Accode	Variable Character <span style="float: right;">▼</span>	50
DispDate	Variable Character <span style="float: right;">▼</span>	50
RepCost	Decimal <span style="float: right;">▼</span>	10
Acquisition	Decimal <span style="float: right;">▼</span>	10
ADATE	Date <span style="float: right;">▼</span>	
Process	<span style="border: 1px solid black; padding: 2px;">New Table</span>	

Id	Table	Database
audit1	(not set)	test

## Auditing fixed assets with Web CAAT

A form is displayed with any error messages (which are shown in red).

**Load data into new table - Mozilla Firefox**

File Edit View History Bookmarks Tools Help

Load data into new table +

127.0.0.1/dc04.php

Audits	Functions	Processes	Web CAAT
<b>Load data into new ta</b>			
Id	audit1		
Database	test		
Destination table	fixedasset		
Count of posted elements	15		
Load data into new table			
Count of posted column names is 15			
SQL create table	create table 'fixedasset' ( 'TagNo' numeric(10,2), 'Cost' numeric(10,2), 'Salvage' numeric(10,2), 'Depr' numeric(10,2), 'I' 'Accode' varchar(50), 'DispDate' varchar(50), 'RepCost' numer.		
Upload file	C:/server2go/htdocs/upload/audit1/fixedassets.txt		
Load SQL	load data local infile 'C:/server2go/htdocs/upload/audit1/fixedasset by 'r\n' ignore 1 lines ( @TagNo, @Cost, @AD, @Replace, @B @Accode, @DispDate, @RepCost, @Acquisition, @ADATE ) : 'Replace' = @Replace, 'Bookval' = @Bookval, 'Salvage' = @S 'AcqDate' = str_to_date(@AcqDate,'%m%d%Y'), 'Accode' = 'Acquisition' = @Acquisition, 'ADATE' = str_to_date(@ADATE		

## Auditing fixed assets with Web CAAT

There were no errors in this instance and twenty rows of data are shown in order that the results of the import can be seen.

Auditor:								
Table analyzed - N/A								
Comments -								
Criteria specified -								
SQL used - select * from 'fixedasset' limit 20;								
user- root								
Database - test								
Host - localhost								
Column -								
This report - C:/server2go/htdocs/Work/runsql.htm								
<a href="#">Download</a>								
Rows processed - 20								
TagNo	Cost	AD	Replace	Bookval	Salvage	Depr	Life	Locatio
2587.00	4377.00	1780.01	1313.00	2596.99	875.00	356.00	9.00	XS
4721.00	436.00	176.44	131.00	259.56	87.00	35.29	3.00	XS
5255.00	6331.00	2556.60	1899.00	3774.40	1266.00	511.32	11.00	XS
2781.00	5034.00	2021.94	1510.00	3012.06	1007.00	404.39	6.00	XS

The data has now been loaded and is ready for audit testing procedures.

## Auditing fixed assets with Web CAAT

In the next section a variety of commonly performed audit tasks will be illustrated. Each audit task objective will be briefly described, then the procedures explained. Finally the results will be shown and interpreted.

Task 1 – Obtain control totals for fixed asset costs to agree to the trial balance.

Step 1 – Sign in to Web CAAT using the default id and password of “audit1”

The screenshot shows a Mozilla Firefox browser window titled "Index page (index.php) - Mozilla Firefox". The address bar shows "127.0.0.1". The page content includes a navigation bar with links: Audits, Functions, Processes, and Web CAAT. Below this is a "Table Selection" section. The main form is titled "Sign in to server at 192.168.0.4". It contains several input fields: User id (filled with "audit1"), Password (filled with "\*\*\*\*\*"), Database (filled with "test"), Host (filled with "localhost"), Auditor (filled with "Im N Auditor"), Audit Folder (filled with "Work"), and Server path (filled with "C:/server2go/htdocs"). A "Sign-in" button is located below these fields. Below the form is a "Form instructions" section. The instructions state: "For some forms, the **mouse over** will provide a description or purpose of the data element input form shown in the 'Help' box just above the Process button. In particular, the information in the text boxes above should be completed as follows: To begin with Web CAAT, please enter the following information: 

- Assigned user id to access the database
- Password for the user id

"

Clicking on the sign-in form results in the automatic display of the table selection form. The table which was created was named “fixedassets”. This table will be selected and then used for analysis. Note that on all the forms, the active table name is displayed at the bottom of the form.



## Auditing fixed assets with Web CAAT

**Step 2 - Mozilla Firefox**

File Edit View History Bookmarks Tools Help

Step 2 127.0.0.1/Menu2.php

Mozilla Firefox is free and open source software from the non-profit Mozilla Foundation. Know your rights...

**Audits Functions Processes Web CAAT**

**Table Selection**

**Select table**

In order to use the analytics functions, a table must be selected from the drop down list below. Once the table is selected, click the Process button and then select the next item on the menu to be performed.

Table

- fixedasset
- hotels
- inv7
- inventory
- invoice3
- invoices
- invoices2

Main form ☒ Select table and proceed to main form

Describe ☐ Obtain a description of the table columns

ShortList ☐ Obtain a list of twenty rows of the table for viewing the contents

Process

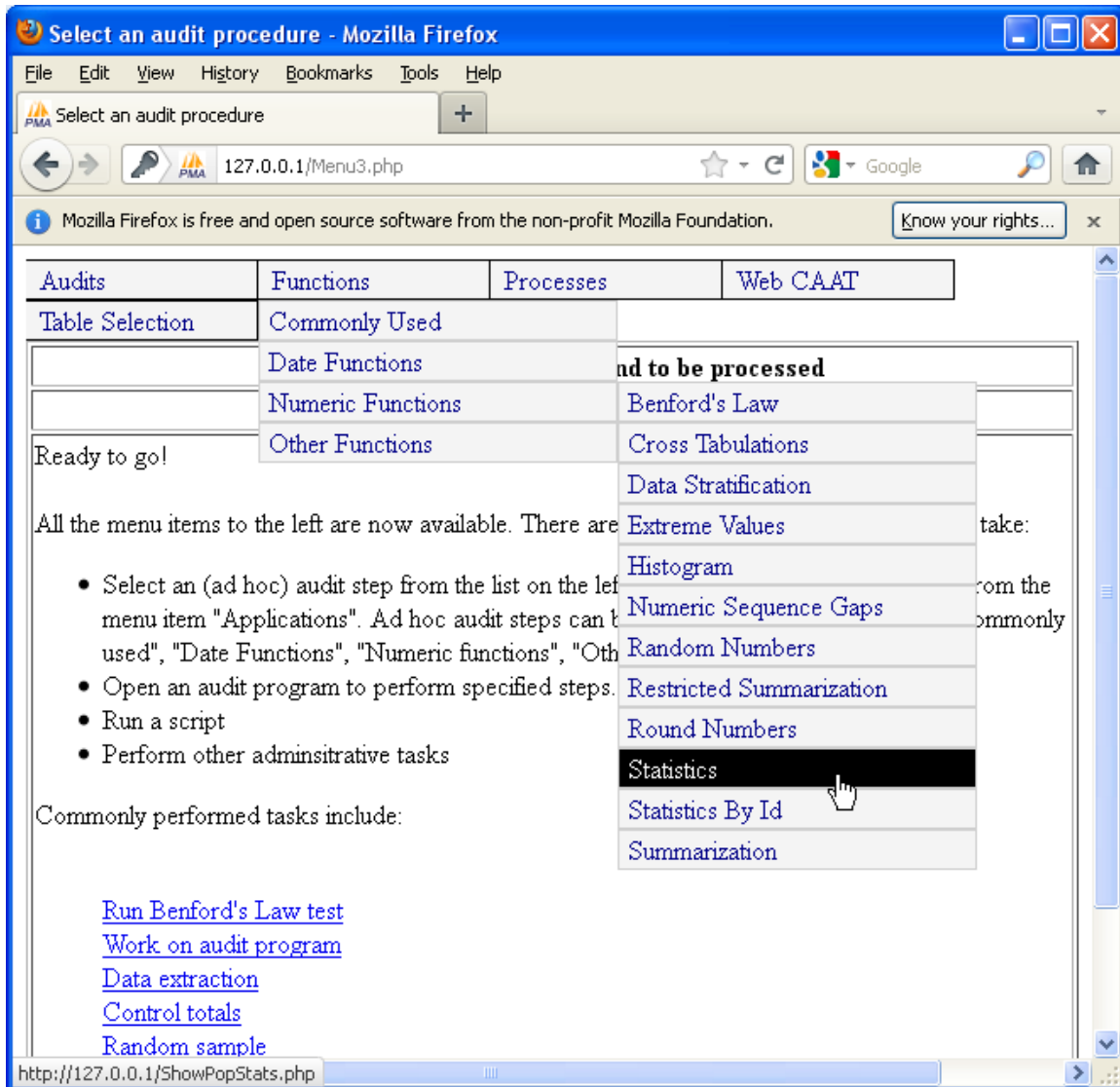
**Form instructions**

To process ad-hoc queries, please select a table name from the drop down list. This will enable the use of the following menu items (shown on the left)

The table fixedassets is selected from the drop down list after scrolling down. If the names of the columns were needed for display the second radio button could be clicked. However, for this analysis, the information is also available from the drop down list of column names. Clicking on the “Process” button will enable the selection of the analysis tool to use. In this example, the analysis will be “Functions | Numeric functions | Statistics”.

## Auditing fixed assets with Web CAAT

The menu item “Functions | Numeric functions | Statistics” is selected in order to obtain control totals for the fixed asset costs.



## Auditing fixed assets with Web CAAT

The numeric column to be analyzed is named “Cost”, so that column is selected from the drop down list. Thus, this analysis will provide basic statistics as they relate to the fixed asset cost.

**Population measures - Mozilla Firefox**

File Edit View History Bookmarks Tools Help

Population measures

127.0.0.1/ShowPopStats.php

Audits Functions Processes Web CAAT

Table Selection

**Population Statistics**

Table	fixedasset
Column	Acquisition
W/P Doc	htm
All column names (for reference)	Acquisition AD Bookval Cost Depr Life RepCost Replace Salvage TagNo
Example criteria	s by clicking the drop down button to the right
Where (criteria)	
Purpose/Comments	population measures

Help

numeric column to be used for the test

**Process**

Form instructions

For some forms, the **mouse over** will provide a description or purpose of the data element input form shown in the 'Help' box just above the Process button. In particular, the information in the text boxes

http://127.0.0.1/ShowStats.php

## Auditing fixed assets with Web CAAT

The column named “Cost” is selected from the list of all numeric columns. At this point additional information could have been provided to limit the test to just records meeting certain criteria, etc. However, the demonstration will begin with the very basic. Later in this article, more complex processing will be demonstrated.

Population measures - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Population measures

127.0.0.1/ShowPopStats.php

Audits Functions Processes Web CAAT

Table Selection

Population Statistics

Table fixedasset

Column Cost

W/P Doc Work/Statistics.htm

All column names (for reference)

Example criteria Show examples by clicking the drop down button to the right

Where (criteria)

Purpose/Comments Obtain basic population measures

Help

Process

Form instructions

For some forms, the **mouse over** will provide a description or purpose of the data element input form shown in the 'Help' box just above the Process button. In particular, the information in the text boxes

http://127.0.0.1/ShowStats.php

## Auditing fixed assets with Web CAAT

Clicking on the “Process” button enables the results to be displayed. These results are shown below. The top of the form is shown first, and contains the processing information used for documentation in the work papers. Scrolling down the form, the results obtained are displayed.

Population statistics	
Report run on Saturday 31st of December 2011 08:06:26 AM	
Auditor: Im N Auditor	
Table analyzed - fixedasset	
Comments - Obtain basic population measures	
Criteria specified -	
SQL used - select sum('Cost') as Total, count('Cost') as ItemCount, min('Cost') as Minimum, max('Cost') as Maximum, avg('Cost') as Average, std('Cost') as StdDev from 'fixedasset' as t	
user- audit1	
Database - test	
Host - localhost	
Column - Cost	
This report - C:/server2go/htdocs/Work/Statistics.htm	
<a href="#">Download</a>	
Rows processed - 1	
Totals	18,165,270.54
Count	4,064

## Auditing fixed assets with Web CAAT

The key statistics for the fixed asset cost are shown in the form. This includes totals, counts, debits, credits, minimum and maximum values, etc. Note that the data does contain errors, e.g. there are fixed assets with a recorded cost of a credit amount. This has been done deliberately in order to illustrate audit procedures for the detection of anomalies. The control totals shown below should then be agreed with the amounts on a trial balance before any further audit work is performed.

Population statistics - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Population statistics

127.0.0.1/RunPopStats.php

Column - Cost

This report - C:/server2go/htdocs/Work/Statistics.htm

[Download](#)

Rows processed - 1

Totals	18,165,270.54
Count	4,064
Minimum	-9,994.00
Maximum	9,997.00
Average	4,469.80
Standard Deviation	3,579.83
Debit totals	19,067,898.41
Debit Count	3,803
Credit totals	-902,627.87
Credit Count	167
Count of Zeros	94
Net totals	18,165,270.54
Counts	4,064

<b>ID</b>	<b>Table</b>	<b>Database</b>	<b>Auditor</b>	<b>Folder</b>
audit1	fixedasset	test	Im N Auditor	Work

## Auditing fixed assets with Web CAAT

### Task 2 – Obtain sub- totals for fixed asset costs by location.

To obtain sub-totals click the menu item “Functions | Numeric functions | Summarization”

**Population statistics - Mozilla Firefox**

File Edit View History Bookmarks Tools Help

Population statistics

127.0.0.1/RunPopStats.php

Audits Functions Processes Web CAAT

Table Selection Commonly Used

Date Functions

Numeric Functions

Other Functions

Report run on Saturday, 10/10/2010 10:10:10 AM

Auditor: Im N Auditor

Table analyzed - fixedasset

Comments - Obtain basic population measures

Criteria specified -

SQL used - select sum('Cost') as Total, count('Cost') as Count, max('Cost') as Maximum, avg('Cost') as Average, std('Cost') as Standard Deviation

user- audit1

Database - test

Host - localhost

Column - Cost

This report - C:/server2go/htdocs/Work/Statistics.htm

[Download](#)

Rows processed - 1

Totals	18,165,270.54
Count	4,064

http://127.0.0.1/ShowSummary.php

## Auditing fixed assets with Web CAAT

A form is displayed, where up to five control breaks can be specified, as well as the numeric column to be summarized. For this example, the summarization will be done by asset cost. Only a single control break will be selected here, namely location. However, if it was desired to obtain sub-totals by useful life within location, then the first control break would be location and the second control break would be useful lives.

The graphic below depicts the selection of the numeric column value to be summarized, named cost.

Summarization - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Summarization

127.0.0.1/ShowSummary.php

Audits Functions Processes Web CAAT

Table Selection

**Data Summarization**

Table	fixedasset		
Amount Column	Acquisition		
First Summarization column (major sort)	Acquisition AD Bookval		
Second summarization column (optional)	Cost Depr Life	Third summarization column (optional)	
Fourth summarization column (optional)	RepCost Replace Salvage TagNo	Fifth summarization column (optional)	
W/P Doc	Work/Summarization.htm		
All column names (for reference)	Accode		
Example criteria	Show examples by clicking the drop down button to the right		
Where (criteria)			
Purpose/Comments	Summarize amounts for testing or tie-in		
numeric column to be used for the test			



## Auditing fixed assets with Web CAAT

Next, the first control break is selected from the drop down list. In this example, the control break is location because subtotals of asset cost by location are needed. Note that it is possible to introduce additional complexities, such as additional control breaks as well as criteria for selection. For example, sub-totals may be needed for a specific date range such as assets acquired during a calendar quarter, etc.

Summarization - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Summarization

127.0.0.1/ShowSummary.php

Audits Functions Processes Web CAAT

Table Selection

Data Summarization			
Table	fixedasset		
Amount Column	Cost		
First Summarization column (major sort)	Accode		
Second summarization column (optional)	AcqDate	Third summarization column (optional)	
Fourth summarization column (optional)	AD	Fifth summarization column (optional)	
W/P Doc	Wor	n.htm	
All column names (for reference)	Acc	Location	
Example criteria	Sho	clicking the drop down button to the right	
Where (criteria)		TagNo	
Purpose/Comments	Summarize amounts for testing or tie-in		

select a column to be used or participate in the summarization, same, same, different or duplicate row testing

## Auditing fixed assets with Web CAAT

Once the control break column “location” is selected from the drop down list. Sub-totals can be obtained by clicking the “Process” button.

**Summarization - Mozilla Firefox**

File Edit View History Bookmarks Tools Help

127.0.0.1/ShowSummary.php

Fourth summarization column (optional) Fifth summarization column (optional)

W/P Doc Work/Summarization.htm

All column names (for reference) Accode

Example criteria Show examples by clicking the drop down button to the right

Where (criteria)

Purpose/Comments Summarize amounts for testing or tie-in

Help

**Process**

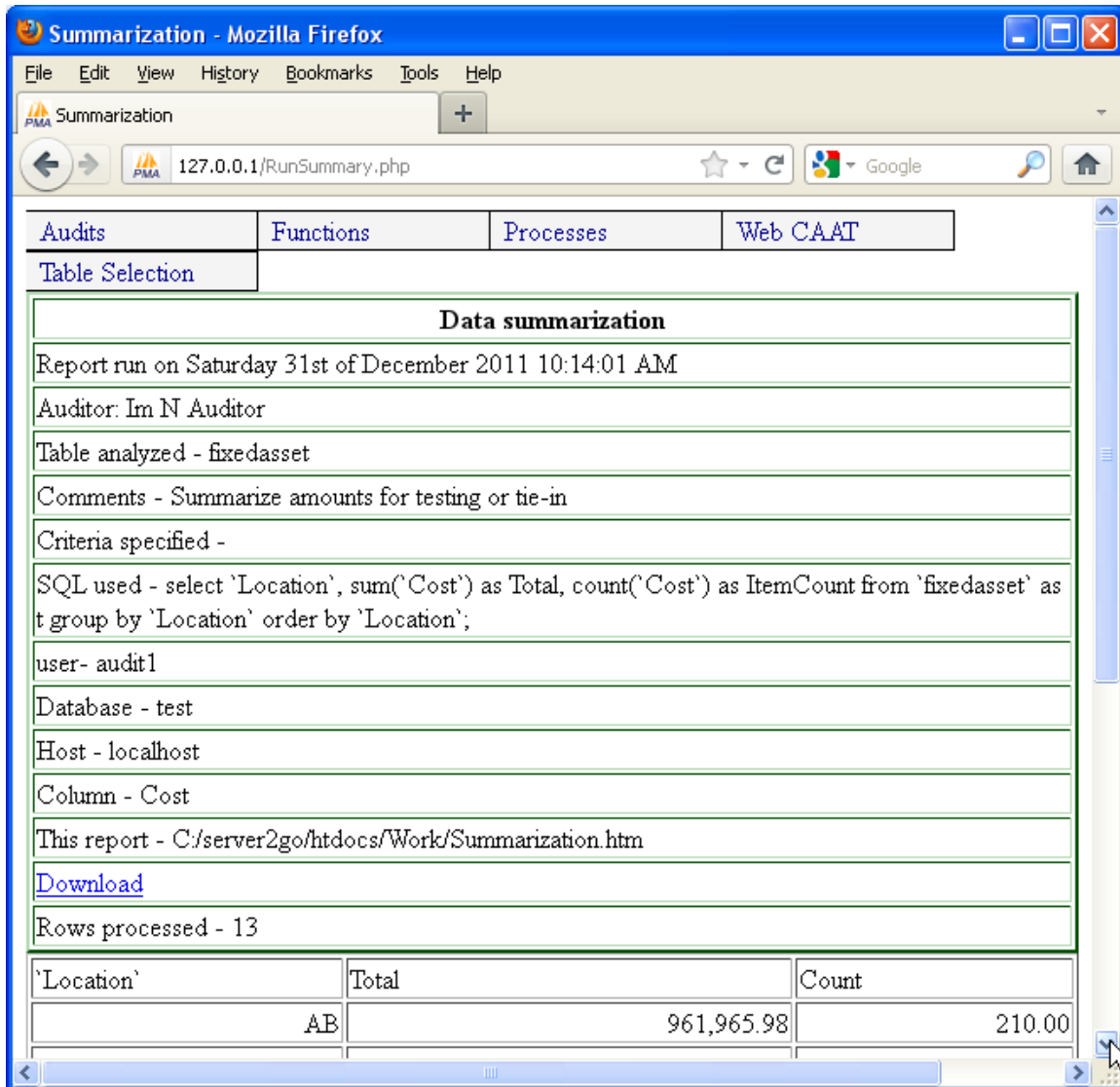
Form instructions

For some forms, the **mouse over** will provide a description or purpose of the data element input form shown in the 'Help' box just above the Process button. In particular, the information in the text boxes above should be completed as follows:

- Select the column to be used for the numeric amount being tested, e.g. Cost.
- The names of one to five columns may be specified to provide summary information by sort key.
- Specify the name and location for the output report to be stored for the work papers, e.g.

## Auditing fixed assets with Web CAAT

Information for the work papers is provided which documents the details of the test performed.



**Summarization - Mozilla Firefox**

File Edit View History Bookmarks Tools Help

Summarization

127.0.0.1/RunSummary.php

Audits Functions Processes Web CAAT

Table Selection

**Data summarization**

Report run on Saturday 31st of December 2011 10:14:01 AM

Auditor: Im N Auditor

Table analyzed - fixedasset

Comments - Summarize amounts for testing or tie-in

Criteria specified -

SQL used - select 'Location', sum('Cost') as Total, count('Cost') as ItemCount from 'fixedasset' as t group by 'Location' order by 'Location';

user- audit1

Database - test

Host - localhost

Column - Cost

This report - C:/server2go/htdocs/Work/Summarization.htm

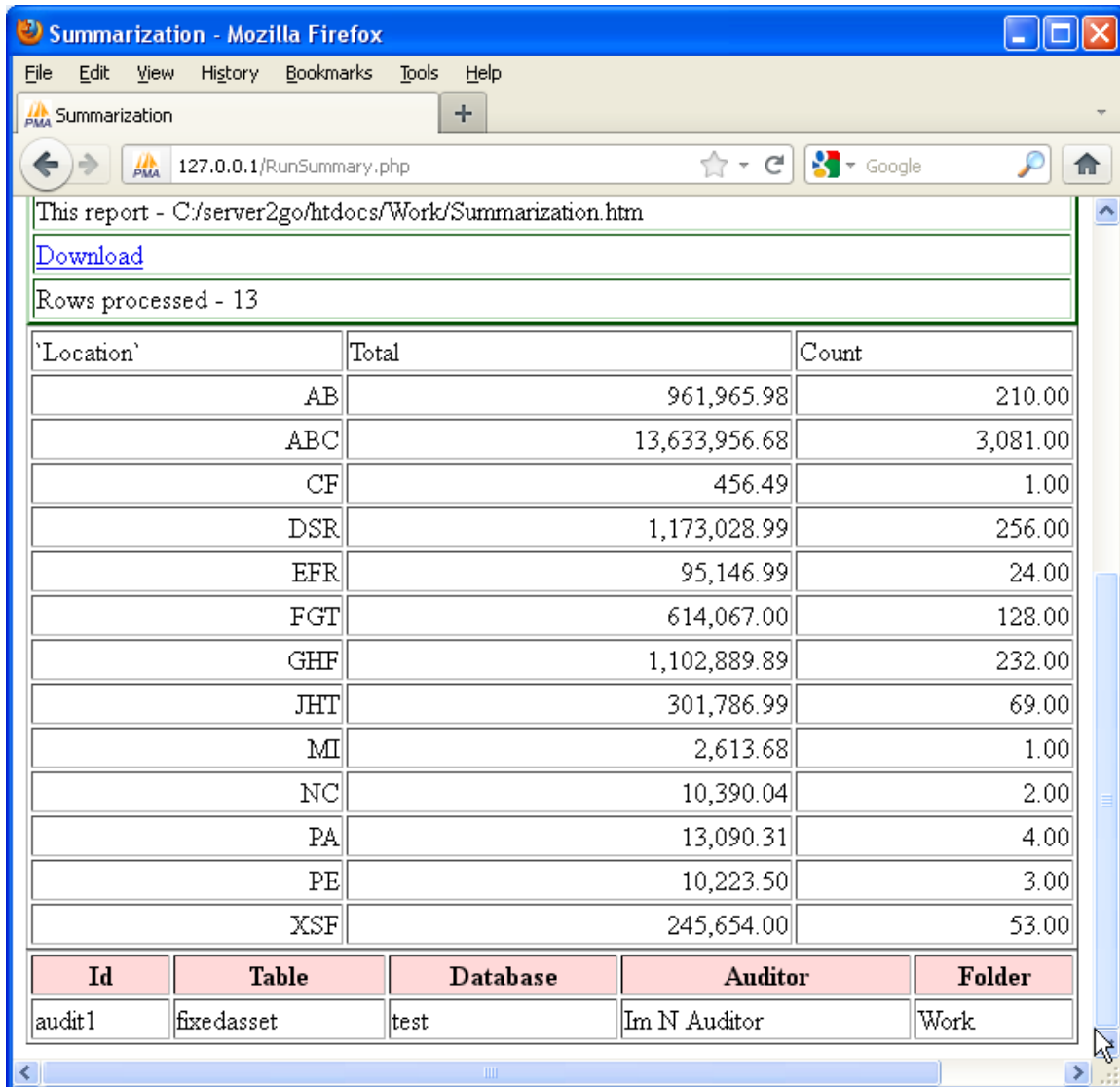
[Download](#)

Rows processed - 13

'Location'	Total	Count
AB	961,965.98	210.00

## Auditing fixed assets with Web CAAT

Further down the form are the subtotal amounts and counts by location. This information can be copied and pasted into an Excel work book, if desired.



Summarization - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Summarization

127.0.0.1/RunSummary.php

This report - C:/server2go/htdocs/Work/Summarization.htm

[Download](#)

Rows processed - 13

'Location'	Total	Count
AB	961,965.98	210.00
ABC	13,633,956.68	3,081.00
CF	456.49	1.00
DSR	1,173,028.99	256.00
EFR	95,146.99	24.00
FGT	614,067.00	128.00
GHF	1,102,889.89	232.00
JHT	301,786.99	69.00
MI	2,613.68	1.00
NC	10,390.04	2.00
PA	13,090.31	4.00
PE	10,223.50	3.00
XSF	245,654.00	53.00

Id	Table	Database	Auditor	Folder
audit1	fixe dasset	test	Im N Auditor	Work

## Auditing fixed assets with Web CAAT

### Error checking and data extraction

A variety of audit tests can be performed to check for basic data errors. Examples of errors include assets with a negative cost, over-depreciated assets, assets with an invalid useful life, missing fixed asset tag numbers, etc. Shown next will be procedures which can be used to identify each of these potential error conditions.

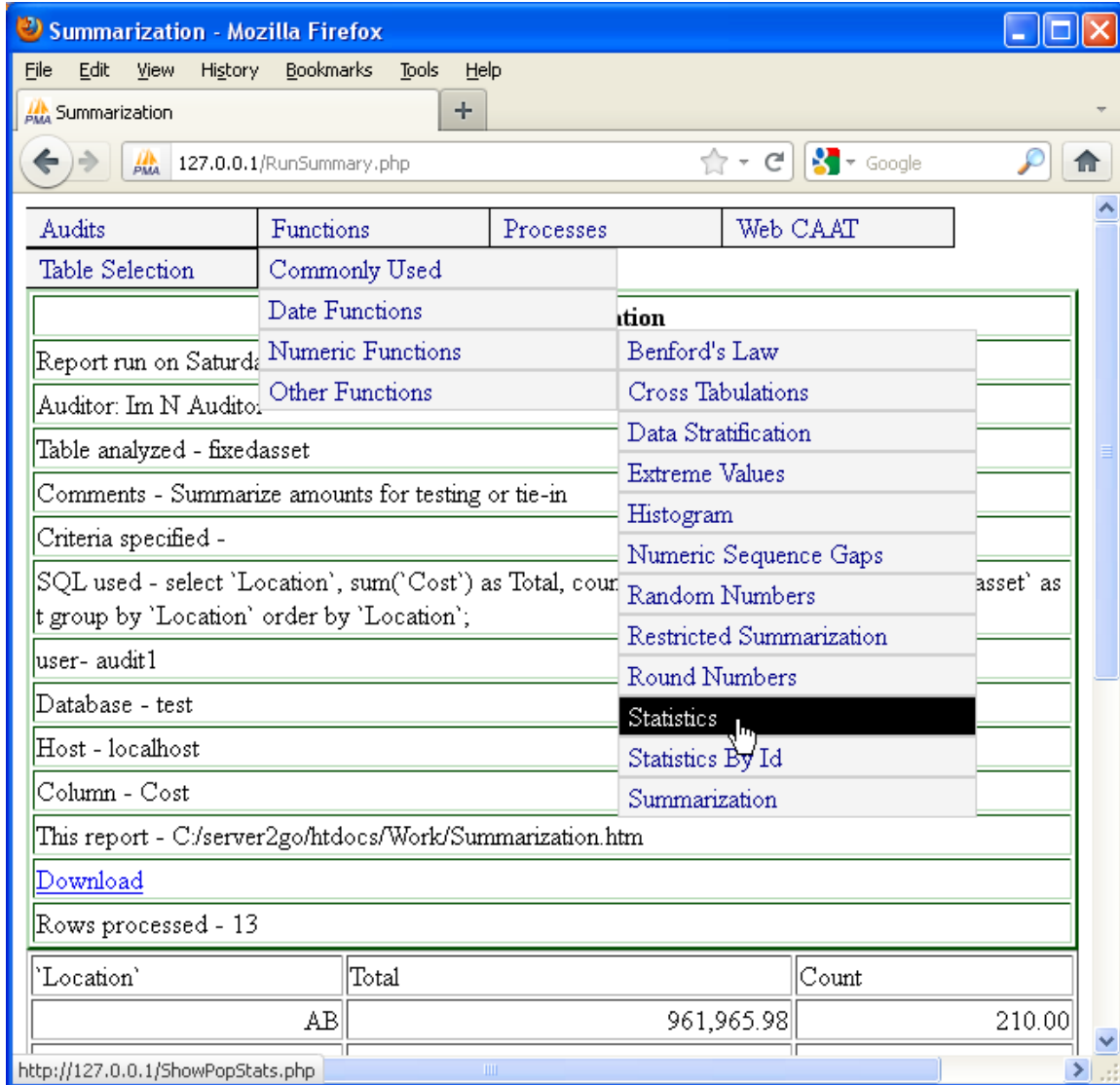
Other procedures which are commonly used include preparing a schedule of the ten largest costs for assets, applying Benford's Law, selecting a random sample etc.

### Task 3 –Quantify the amount and number of fixed assets which have a cost of less than \$500 (the capitalization policy amount).

To test compliance with the capitalization policy, totals and counts are to be obtained for all fixed assets having a cost of less than \$500, which is the minimum amount of cost an asset must have in order to be capitalized, per company policy.

## Auditing fixed assets with Web CAAT

The menu item to be used is “Functions | Numeric functions |Statistics”.



Summarization - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Summarization

127.0.0.1/RunSummary.php

Audits	Functions	Processes	Web CAAT
Table Selection	Commonly Used		
	Date Functions		
Report run on Saturday	Numeric Functions		
Auditor: Im N Auditor	Other Functions		
Table analyzed - fixedasset			
Comments - Summarize amounts for testing or tie-in			
Criteria specified -			
SQL used - select 'Location', sum('Cost') as Total, count('Location') as Count group by 'Location' order by 'Location';			
user- audit1			
Database - test			
Host - localhost			
Column - Cost			
This report - C:/server2go/htdocs/Work/Summarization.htm			
<a href="#">Download</a>			
Rows processed - 13			
'Location'	Total	Count	
AB	961,965.98	210.00	

http://127.0.0.1/ShowPopStats.php

## Auditing fixed assets with Web CAAT

The numeric column to be tested is “cost” which is selected from the drop down list.

Population measures - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Population measures

127.0.0.1/ShowPopStats.php

Audits Functions Processes Web CAAT

Table Selection

Population Statistics

Table	fixedasset
Column	Acquisition
W/P Doc	Acquisition AD .htm
All column names (for reference)	Bookval
Example criteria	Cost
Where (criteria)	Depr
Purpose/Comments	Life
	RepCost
	Replace
	Salvage
	TagNo

numeric column to be used for the test

Help

Process

Form instructions

For some forms, the **mouse over** will provide a description or purpose of the data element input form shown in the 'Help' box just above the Process button. In particular, the information in the text boxes

## Auditing fixed assets with Web CAAT

The criteria to be used is “cost < 500”, i.e. any fixed asset record where the cost of the asset is less than \$500.

Population measures - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Population measures

127.0.0.1/ShowPopStats.php

Audits Functions Processes Web CAAT

Table Selection

Population Statistics	
Table	fixedasset
Column	Cost
W/P Doc	Work/Statistics.htm
All column names (for reference)	
Example criteria	Show examples by clicking the drop down button to the right
Where (criteria)	cost < 500
Purpose/Comments	Obtain basic population measures

Help

criteria used to limit the test, leave blank to test all rows

Process

Form instructions

For some forms, the **mouse over** will provide a description or purpose of the data element input form shown in the 'Help' box just above the Process button. In particular, the information in the text boxes



## Auditing fixed assets with Web CAAT

Once the “Process” button is clicked, the information used for the test is displayed and can be included in the work papers.

**Population statistics**

Report run on Saturday 31st of December 2011 10:36:11 AM

Auditor: Im N Auditor

Table analyzed - fixedasset

Comments - Obtain basic population measures

Criteria specified - cost < 500

SQL used - select sum('Cost') as Total, count('Cost') as ItemCount, min('Cost') as Minimum, max('Cost') as Maximum, avg('Cost') as Average, std('Cost') as StdDev from 'fixedasset' as t where cost < 500

user- audit1

Database - test

Host - localhost

Column - Cost

This report - C:/server2go/htdocs/Work/Statistics.htm

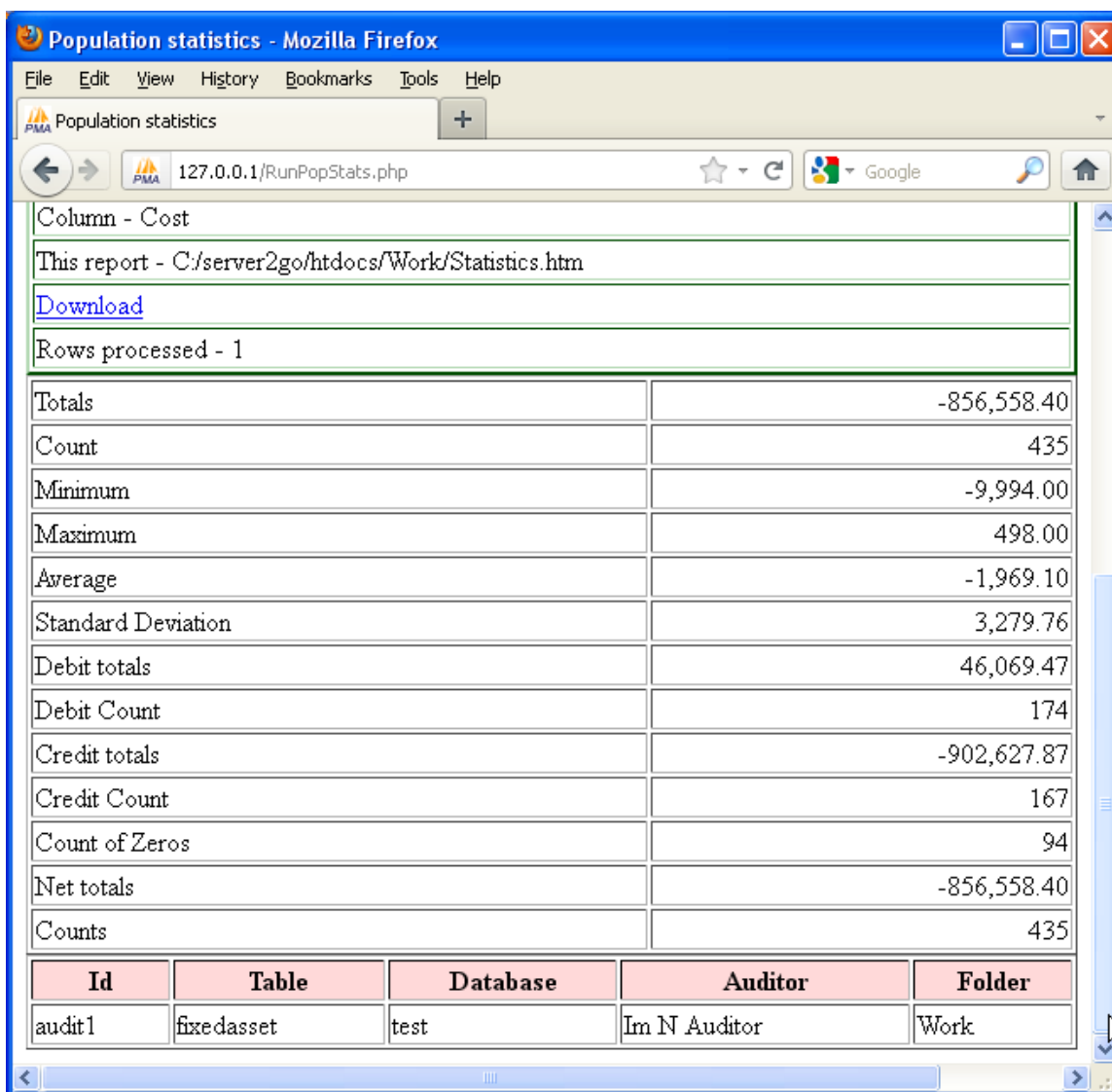
[Download](#)

Rows processed - 1

Totals	-856,558.40
Count	125

## Auditing fixed assets with Web CAAT

The summary information is shown below. In total, there are 435 fixed asset records which do not meet the capitalization policy and they have a total cost of -\$856,558.40. The reason for the negative value is that the master file of fixed asset records deliberately includes some error conditions in order to illustrate the capabilities of Web CAAT for data analysis.



Population statistics - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Population statistics

127.0.0.1/RunPopStats.php

Column - Cost

This report - C:/server2go/htdocs/Work/Statistics.htm

[Download](#)

Rows processed - 1

Totals	-856,558.40
Count	435
Minimum	-9,994.00
Maximum	498.00
Average	-1,969.10
Standard Deviation	3,279.76
Debit totals	46,069.47
Debit Count	174
Credit totals	-902,627.87
Credit Count	167
Count of Zeros	94
Net totals	-856,558.40
Counts	435

<b>ID</b>	<b>Table</b>	<b>Database</b>	<b>Auditor</b>	<b>Folder</b>
audit1	fixedasset	test	Im N Auditor	Work

## Task 4 –Prepare a schedule of over-depreciated assets.

The next task is to prepare a schedule of over-depreciated assets. Here, the definition of over depreciation will be fixed asset records whose net book value (cost – accumulated depreciation) is less than salvage value. This will be specified using the criteria “(cost – AD) < salvage” – cost is the name of the cost column, AD is the name of the accumulated depreciation column and salvage is the name of the column containing the salvage value.

The menu item used is “Functions | Commonly used | Data extract”.

**Data extraction - Mozilla Firefox**

File Edit View History Bookmarks Tools Help

127.0.0.1/ShowExtract.php

Audits Functions Processes Web CAAT

Table Selection Commonly Used Data Extract Duplicates

Date Functions

Numeric Functions

Other Functions

Table

Column

W/P Doc Work/DataExtract.htm

Where

Count only? ☐

Purpose/Comments Extract data for further testing or to isolate error conditions

Help

Process

**Form instructions**

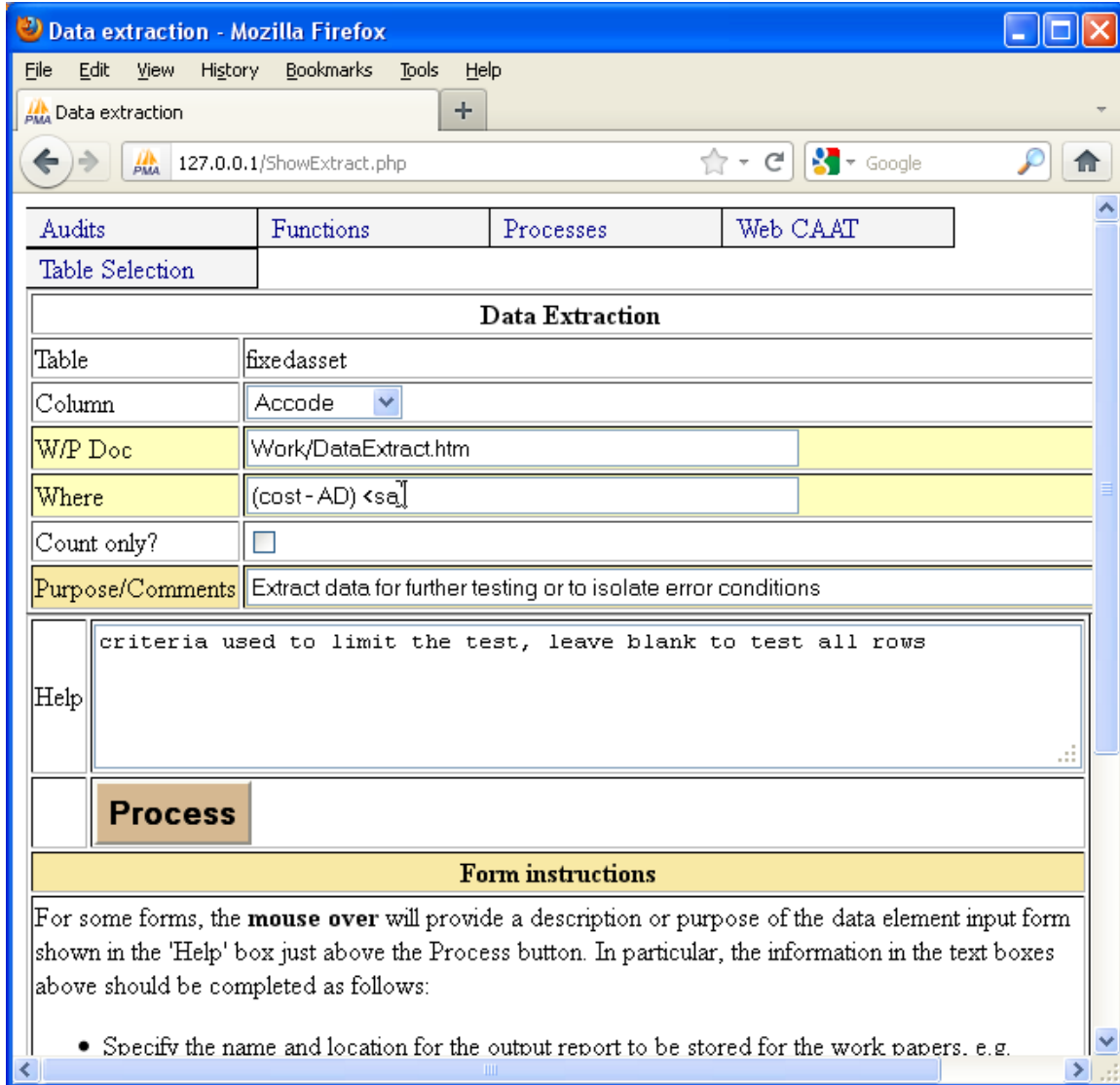
For some forms, the **mouse over** will provide a description or purpose of the data element input form shown in the 'Help' box just above the Process button. In particular, the information in the text boxes above should be completed as follows:

- Specify the name and location for the output report to be stored for the work papers. e.g.

http://127.0.0.1/ShowExtract.php

## Auditing fixed assets with Web CAAT

The criteria used is “(cost – AD) < salvage”



Data extraction - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Data extraction

127.0.0.1/ShowExtract.php

Audits Functions Processes Web CAAT

Table Selection

**Data Extraction**

Table	fixedasset
Column	Accode
W/P Doc	Work/DataExtract.htm
Where	(cost - AD) < sa
Count only?	<input type="checkbox"/>
Purpose/Comments	Extract data for further testing or to isolate error conditions

Help

criteria used to limit the test, leave blank to test all rows

**Process**

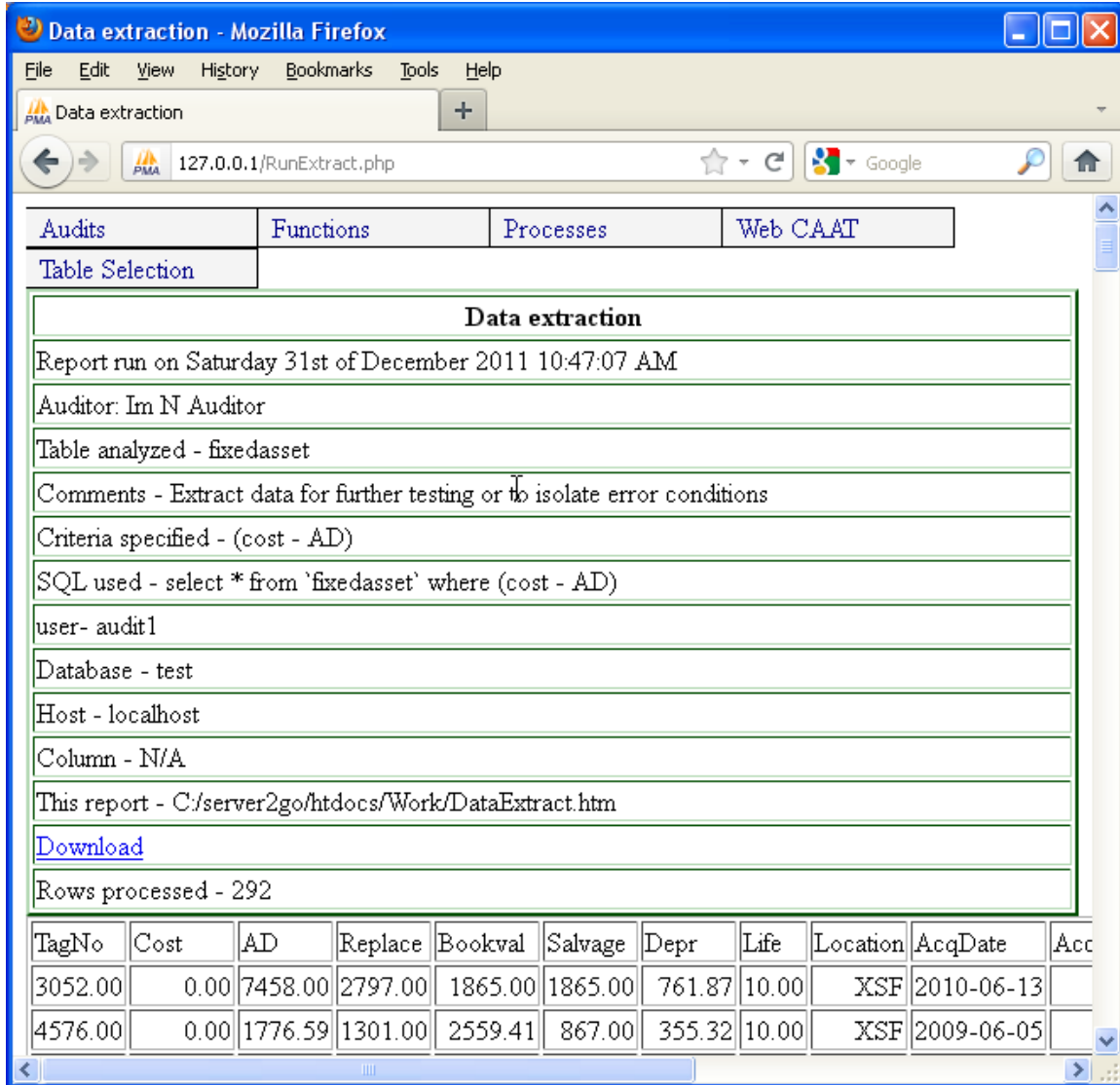
**Form instructions**

For some forms, the **mouse over** will provide a description or purpose of the data element input form shown in the 'Help' box just above the Process button. In particular, the information in the text boxes above should be completed as follows:

- Specify the name and location for the output report to be stored for the work papers. e.g.

## Auditing fixed assets with Web CAAT

The report parameters used for the data extract are shown.



**Data extraction - Mozilla Firefox**

File Edit View History Bookmarks Tools Help

Data extraction +

127.0.0.1/RunExtract.php

Audits Functions Processes Web CAAT

Table Selection

**Data extraction**

Report run on Saturday 31st of December 2011 10:47:07 AM

Auditor: Im N Auditor

Table analyzed - fixedasset

Comments - Extract data for further testing or to isolate error conditions

Criteria specified - (cost - AD)

SQL used - select \* from 'fixedasset' where (cost - AD)

user- audit1

Database - test

Host - localhost

Column - N/A

This report - C:/server2go/htdocs/Work/DataExtract.htm

[Download](#)

Rows processed - 292

TagNo	Cost	AD	Replace	Bookval	Salvage	Depr	Life	Location	AcqDate	Acc
3052.00	0.00	7458.00	2797.00	1865.00	1865.00	761.87	10.00	XSF	2010-06-13	
4576.00	0.00	1776.59	1301.00	2559.41	867.00	355.32	10.00	XSF	2009-06-05	

## Auditing fixed assets with Web CAAT

A schedule of such assets is shown. (not all of the schedule is shown). It can be seen that the first asset record is listed because it has a zero cost with accumulated depreciation of \$7,458.00, an obvious error. Salvage values are included in the report but can only be seen by scrolling to the right within the form displayed.

**Data extraction - Mozilla Firefox**

File Edit View History Bookmarks Tools Help

Data extraction

127.0.0.1/RunExtract.php

Google

Column - N/A

This report - C:/server2go/htdocs/Work/DataExtract.htm

[Download](#)

Rows processed - 292

TagNo	Cost	AD	Replace	Bookval	Salvage	Depr	Life	Location	AcqDate	Acc
3052.00	0.00	7458.00	2797.00	1865.00	1865.00	761.87	10.00	XSF	2010-06-13	
4576.00	0.00	1776.59	1301.00	2559.41	867.00	355.32	10.00	XSF	2009-06-05	
2189.00	0.00	2493.19	1857.00	3695.81	1238.00	498.64	5.00	JHT	2010-07-18	
3457.00	-6953.00	2793.63	2086.00	4159.37	1391.00	558.73	9.00	JHT	2009-10-01	
3467.00	-1807.00	8083.00	542.00	-6276.00	361.00	1616.60	7.00	JHT	2011-03-20	
1691.00	-8773.00	3560.09	2632.00	5212.91	1755.00	712.02	8.00	JHT	2009-02-23	
1696.00	6872.00	7615.00	2062.00	-743.00	1374.00	1523.00	11.00	GHF	2009-05-12	
3576.00	3260.00	8032.00	978.00	-4772.00	652.00	1606.40	7.00	GHF	2010-08-12	
4778.00	0.00	1710.45	1277.00	2547.55	852.00	342.09	8.00	GHF	2010-06-06	
3999.00	0.00	1014.77	743.00	1463.23	496.00	202.95	4.00	GHF	2009-03-28	
1294.00	-2763.00	1117.48	829.00	1645.52	553.00	223.50	9.00	GHF	2010-03-25	
3908.00	-6997.00	2857.48	2099.00	4139.52	1399.00	571.50	9.00	GHF	2010-05-14	
4936.00	4111.00	8511.00	1233.00	-4400.00	822.00	1702.20	11.00	GHF	2009-02-05	
3900.00	0.00	3365.67	2520.00	5033.33	1680.00	673.13	5.00	GHF	2009-08-11	

## Task 5 –Prepare a schedule of assets having an invalid useful life.

For purposes of illustration, it will be assumed that all assets must have a useful life of three years or more and that no asset can have a useful life of over 40 years. In order to prepare a schedule of any such assets having an invalid useful life, the criteria used will be “life < 3 or life > 40”. Note that there are also other specifications possible, such as “life not between 2 and 40”. The syntax of these commands is not completely free-form as it must comply with SQL standards. However, once an auditor learns some of the basic syntax, it is possible to prepare quite complex criteria for audit testing.

Screen shots of the process to prepare a schedule of invalid useful lives are as follows. Menu item is “Functions | Commonly Used | data extract”.

Audits	Functions	Processes	Web CAAT
Table Selection	Commonly Used		Data Extract
	Date Functions		Duplicates
Report run on Saturday	Numeric Functions		
Auditor: Im N Auditor	Other Functions		
Table analyzed - fixedasset			
Comments - Extract data for further testing or to isolate error conditions			
Criteria specified - (cost - AD)			
SQL used - select * from 'fixedasset' where (cost - AD)			
user- audit1			
Database - test			
Host - localhost			
Column - N/A			
This report - C:/server2go/htdocs/Work/DataExtract.htm			
<a href="#">Download</a>			
Rows processed - 292			
TagNo	Cost	AD	Replace
3052.00	0.00	7458.00	2797.00
4576.00	0.00	1776.59	1301.00

## Auditing fixed assets with Web CAAT

Criteria used is “life < 3 or life > 40”. Note that alternative syntax is possible such as “life not between 3 and 40”, “(life <=2) or (life > 40)”, “(life != 40) or (life <3)” etc.

**Data extraction - Mozilla Firefox**

File Edit View History Bookmarks Tools Help

127.0.0.1/ShowExtract.php

Audits Functions Processes Web CAAT

Table Selection

**Data Extraction**

Table	fixedasset
Column	Accode
W/P Doc	Work/DataExtract.htm
Where	life < 3 or life > 40
Count only?	<input type="checkbox"/>
Purpose/Comments	Extract data for further testing or to isolate error conditions

Help

**Process**

**Form instructions**

For some forms, the **mouse over** will provide a description or purpose of the data element input form shown in the 'Help' box just above the Process button. In particular, the information in the text boxes above should be completed as follows:

- Specify the name and location for the output report to be stored for the work papers. e.g.



## Auditing fixed assets with Web CAAT

A schedule is shown which includes the processing parameters used.

**Data extraction - Mozilla Firefox**

File Edit View History Bookmarks Tools Help

Data extraction +

127.0.0.1/RunExtract.php

Audits Functions Processes Web CAAT

Table Selection

**Data extraction**

Report run on Saturday 31st of December 2011 10:55:29 AM

Auditor: Im N Auditor

Table analyzed - fixedasset

Comments - Extract data for further testing or to isolate error conditions

Criteria specified - life < 3 or life > 40

SQL used - select \* from 'fixedasset' where life < 3 or life > 40

user- audit1

Database - test

Host - localhost

Column - N/A

This report - C:/server2go/htdocs/Work/DataExtract.htm

[Download](#)

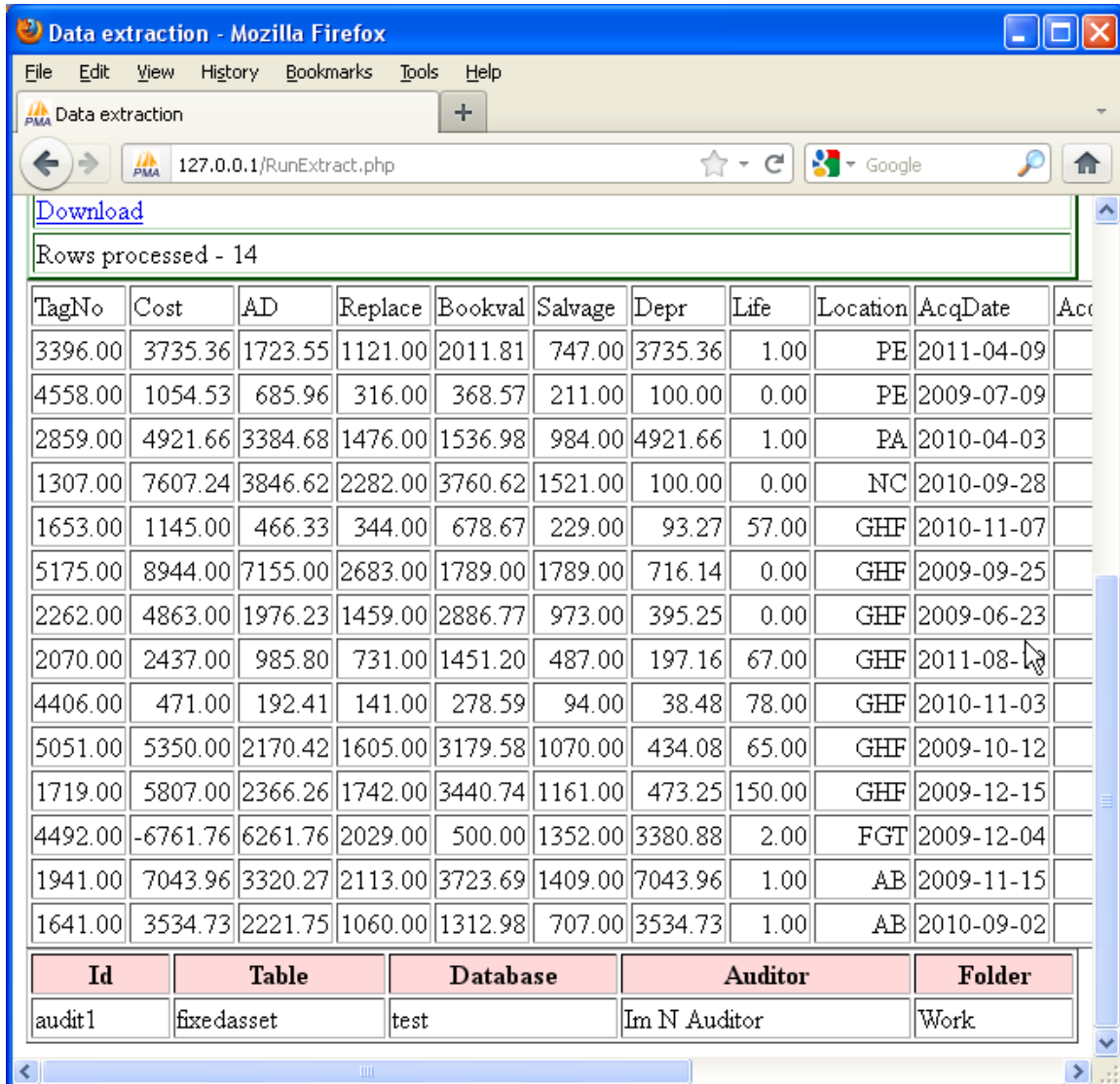
Rows processed - 14

TagNo	Cost	AD	Replace	Bookval	Salvage	Depr	Life	Location	AcqDate	Acc
3396.00	3735.36	1723.55	1121.00	2011.81	747.00	3735.36	1.00	PE	2011-04-09	
4558.00	1054.53	685.96	316.00	368.57	211.00	100.00	0.00	PE	2009-07-09	

## Auditing fixed assets with Web CAAT

Scrolling down the form, the results can be seen. A total of 14 asset records had useful lives not considered to be valid.

Note that the useful lives are shown with a decimal because when the data was imported, the option to import the useful life as a whole integer was not selected. This does not invalidate the test, but it does make the results look a little odd.



TagNo	Cost	AD	Replace	Bookval	Salvage	Depr	Life	Location	AcqDate	Acc
3396.00	3735.36	1723.55	1121.00	2011.81	747.00	3735.36	1.00	PE	2011-04-09	
4558.00	1054.53	685.96	316.00	368.57	211.00	100.00	0.00	PE	2009-07-09	
2859.00	4921.66	3384.68	1476.00	1536.98	984.00	4921.66	1.00	PA	2010-04-03	
1307.00	7607.24	3846.62	2282.00	3760.62	1521.00	100.00	0.00	NC	2010-09-28	
1653.00	1145.00	466.33	344.00	678.67	229.00	93.27	57.00	GHF	2010-11-07	
5175.00	8944.00	7155.00	2683.00	1789.00	1789.00	716.14	0.00	GHF	2009-09-25	
2262.00	4863.00	1976.23	1459.00	2886.77	973.00	395.25	0.00	GHF	2009-06-23	
2070.00	2437.00	985.80	731.00	1451.20	487.00	197.16	67.00	GHF	2011-08-18	
4406.00	471.00	192.41	141.00	278.59	94.00	38.48	78.00	GHF	2010-11-03	
5051.00	5350.00	2170.42	1605.00	3179.58	1070.00	434.08	65.00	GHF	2009-10-12	
1719.00	5807.00	2366.26	1742.00	3440.74	1161.00	473.25	150.00	GHF	2009-12-15	
4492.00	-6761.76	6261.76	2029.00	500.00	1352.00	3380.88	2.00	FGT	2009-12-04	
1941.00	7043.96	3320.27	2113.00	3723.69	1409.00	7043.96	1.00	AB	2009-11-15	
1641.00	3534.73	2221.75	1060.00	1312.98	707.00	3534.73	1.00	AB	2010-09-02	

Id	Table	Database	Auditor	Folder
audit1	fixedasset	test	Im N Auditor	Work

## Auditing fixed assets with Web CAAT

### Task 6 –Identify any missing fixed asset tag numbers.

A common audit test is to check for numeric sequence gaps. In this example, the fixed asset tag numbers should be complete.

The screenshot shows a web browser window titled "Data extraction - Mozilla Firefox". The address bar displays "127.0.0.1/RunExtract.php". The main content area is divided into several sections:

- Navigation:** Audits, Functions, Processes, Web CAAT.
- Table Selection:** A dropdown menu is open, showing options: Commonly Used, Date Functions, Numeric Functions, Other Functions, Benford's Law, Cross Tabulations, Data Stratification, Extreme Values (highlighted), Histogram, Numeric Sequence Gaps, Random Numbers, Restricted Summarization, Round Numbers, Statistics, Statistics By Id, and Summarization.
- Audit Parameters:**
  - Report run on Saturday
  - Auditor: Im N Auditor
  - Table analyzed - fixedasset
  - Comments - Extract data for further testing or to isolate e
  - Criteria specified - life < 3 or life > 40
  - SQL used - select \* from 'fixedasset' where life < 3 or li
  - user- audit1
  - Database - test
  - Host - localhost
  - Column - N/A
  - This report - C:/server2go/htdocs/Work/DataExtract.htm
- Download:** A link to download the report.
- Rows processed - 14**
- Data Table:** A table with 11 columns: TagNo, Cost, AD, Replace, Bookval, Salvage, Depr, Life, Location, AcqDate, and Acc. The first two rows of data are visible.

TagNo	Cost	AD	Replace	Bookval	Salvage	Depr	Life	Location	AcqDate	Acc
3396.00	3735.36	1723.55	1121.00	2011.81	747.00	3735.36	1.00	PE	2011-04-09	
4558.00	1054.53	685.96	316.00	368.57	211.00	100.00	0.00	PE	2009-07-09	

The status bar at the bottom shows the URL "http://127.0.0.1/ShowTop.php".

## Auditing fixed assets with Web CAAT

The menu item to be used is “Functions | Numeric functions | Numeric Sequence Gaps”.

TagNo	Cost	AD	Replace	Bookval	Salvage	Depr	Life	Location	AcqDate	Acc
3396.00	3735.36	1723.55	1121.00	2011.81	747.00	3735.36	1.00	PE	2011-04-09	
4558.00	1054.53	685.96	316.00	368.57	211.00	100.00	0.00	PE	2009-07-09	

## Auditing fixed assets with Web CAAT

The name of the column to be analyzed is “tagno” which is the fixed asset record tag number.

**Numeric sequence gaps - Mozilla Firefox**

File Edit View History Bookmarks Tools Help

PMA Numeric sequence gaps +

127.0.0.1/ShowGap.php

Audits Functions Processes Web CAAT

Table Selection

**Numeric sequence gaps**

Table	fixedasset
Column	Acquisition
W/P Doc	Acquisition AD
All column names (for reference)	Bookval Cost Depr
Example criteria	Life RepCost Replace
Where (criteria)	Salvage
Purpose/Comments	TagNo

numeric column to be used for the test

Help

**Process**

Form instructions

For some forms, the **mouse over** will provide a description or purpose of the data element input form shown in the 'Help' box just above the Process button. In particular, the information in the text boxes

## Auditing fixed assets with Web CAAT

All of the tag numbers are to be tested, therefore no criteria are entered and the “Process” button is clicked.

**Numeric sequence gaps - Mozilla Firefox**

File Edit View History Bookmarks Tools Help

Numeric sequence gaps

127.0.0.1/ShowGap.php

Audits Functions Processes Web CAAT

Table Selection

Numeric sequence gaps	
Table	fixedasset
Column	TagNo
W/P Doc	Work/SequenceGaps.htm
All column names (for reference)	
Example criteria	Show examples by clicking the drop down button to the right
Where (criteria)	
Purpose/Comments	Identify numeric sequence gaps

Help

**Process**

Form instructions

For some forms, the **mouse over** will provide a description or purpose of the data element input form shown in the 'Help' box just above the Process button. In particular, the information in the text boxes

## Auditing fixed assets with Web CAAT

The system prepares a report of numeric sequence gaps.

Checking for numeric gaps - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Checking for numeric gaps

127.0.0.1/RunGap.php

Audits Functions Processes Web CAAT

Table Selection

**Numeric sequence gaps**

Report run on Saturday 31st of December 2011 11:03:16 AM

Auditor: Im N Auditor

Table analyzed - fixedasset

Comments - Identify numeric sequence gaps

Criteria specified -

SQL used - select 'TagNo', t.\* from 'fixedasset' as t order by 'TagNo';

user- audit1

Database - test

Host - localhost

Column - TagNo

This report - C:/server2go/htdocs/Work/SequenceGaps.htm

[Download](#)

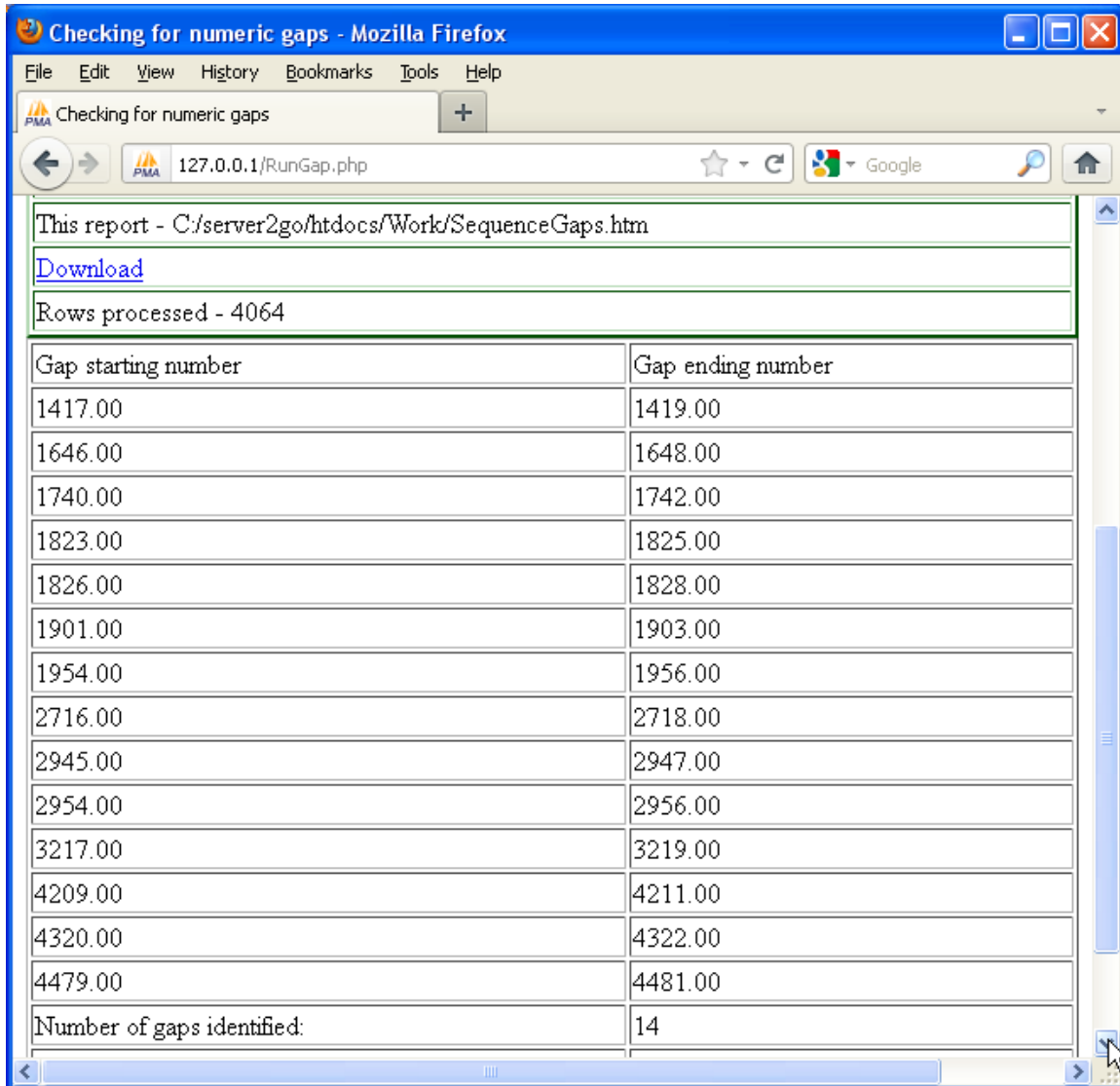
Rows processed - 4064

Gap starting number	Gap ending number
1417.00	1419.00
1646.00	1648.00

## Auditing fixed assets with Web CAAT

The starting and ending number for each sequence gap is provided. Note that it is not necessary to “pre sort” the file. Summary information is provided, both the total number of gaps as well as the total number of missing items.

Note that the tag numbers are shown with decimal points because the data was not imported as a whole integer. This does not invalidate the results, however.



Checking for numeric gaps - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Checking for numeric gaps

127.0.0.1/RunGap.php

Google

This report - C:/server2go/htdocs/Work/SequenceGaps.htm

[Download](#)

Rows processed - 4064

Gap starting number	Gap ending number
1417.00	1419.00
1646.00	1648.00
1740.00	1742.00
1823.00	1825.00
1826.00	1828.00
1901.00	1903.00
1954.00	1956.00
2716.00	2718.00
2945.00	2947.00
2954.00	2956.00
3217.00	3219.00
4209.00	4211.00
4320.00	4322.00
4479.00	4481.00
Number of gaps identified:	14



## Auditing fixed assets with Web CAAT

Task 7 –Quantify the amount and number of fixed assets which have a negative cost.

Quantification of the number and amount of fixed assets having a negative cost can be done using the statistics function. Menu item is “Functions | Numeric functions | Statistics”

Audits	Functions	Processes	Web CAAT
Table Selection	Commonly Used		
	Date Functions		
Report run on Saturday	Numeric Functions		
Auditor: Im N Auditor	Other Functions		
Table analyzed - fixedasset			
Comments - Identify numeric sequence gaps			
Criteria specified -			
SQL used - select 'TagNo', t.* from 'fixedasset' as t order			
user- audit1			
Database - test			
Host - localhost			
Column - TagNo			
This report - C:/server2go/htdocs/Work/SequenceGaps.t			
Download			
Rows processed - 4064			
Gap starting number	Gap ending number		
1417.00	1419.00		
1646.00	1648.00		

## Auditing fixed assets with Web CAAT

Numeric column to be tested is “cost” which is selected from the drop-down list.

Population measures - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Population measures

127.0.0.1/ShowPopStats.php

Audits Functions Processes Web CAAT

Table Selection

Population Statistics

Table	fixedasset
Column	Acquisition
W/P Doc	Acquisition AD .htm
All column names (for reference)	Bookval
Example criteria	Cost
Where (criteria)	Depr
Purpose/Comments	Life
	RepCost
	Replace
	Salvage
	TagNo

numeric column to be used for the test

Help

Process

Form instructions

For some forms, the **mouse over** will provide a description or purpose of the data element input form shown in the 'Help' box just above the Process button. In particular, the information in the text boxes

## Auditing fixed assets with Web CAAT

Criteria to be applied is “cost < 0”, i.e. all fixed asset records having a recorded cost which is negative (an error condition).

Population measures - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Population measures

127.0.0.1/ShowPopStats.php

Audits Functions Processes Web CAAT

Table Selection

Population Statistics

Table	fixedasset
Column	Cost
W/P Doc	Work/Statistics.htm
All column names (for reference)	
Example criteria	Show examples by clicking the drop down button to the right
Where (criteria)	cost < 0
Purpose/Comments	cost < 500

Help

Process

Form instructions

For some forms, the **mouse over** will provide a description or purpose of the data element input form shown in the 'Help' box just above the Process button. In particular, the information in the text boxes

## Auditing fixed assets with Web CAAT

The work-paper report lists the parameters used to prepare the report.

**Population statistics**

Report run on Saturday 31st of December 2011 11:10:39 AM

Auditor: Im N Auditor

Table analyzed - fixedasset

Comments - Obtain basic population measures

Criteria specified - cost < 0

SQL used - select sum('Cost') as Total, count('Cost') as ItemCount, min('Cost') as Minimum, max('Cost') as Maximum, avg('Cost') as Average, std('Cost') as StdDev from 'fixedasset' as t where cost < 0

user- audit1

Database - test

Host - localhost

Column - Cost

This report - C:/server2go/htdocs/Work/Statistics.htm

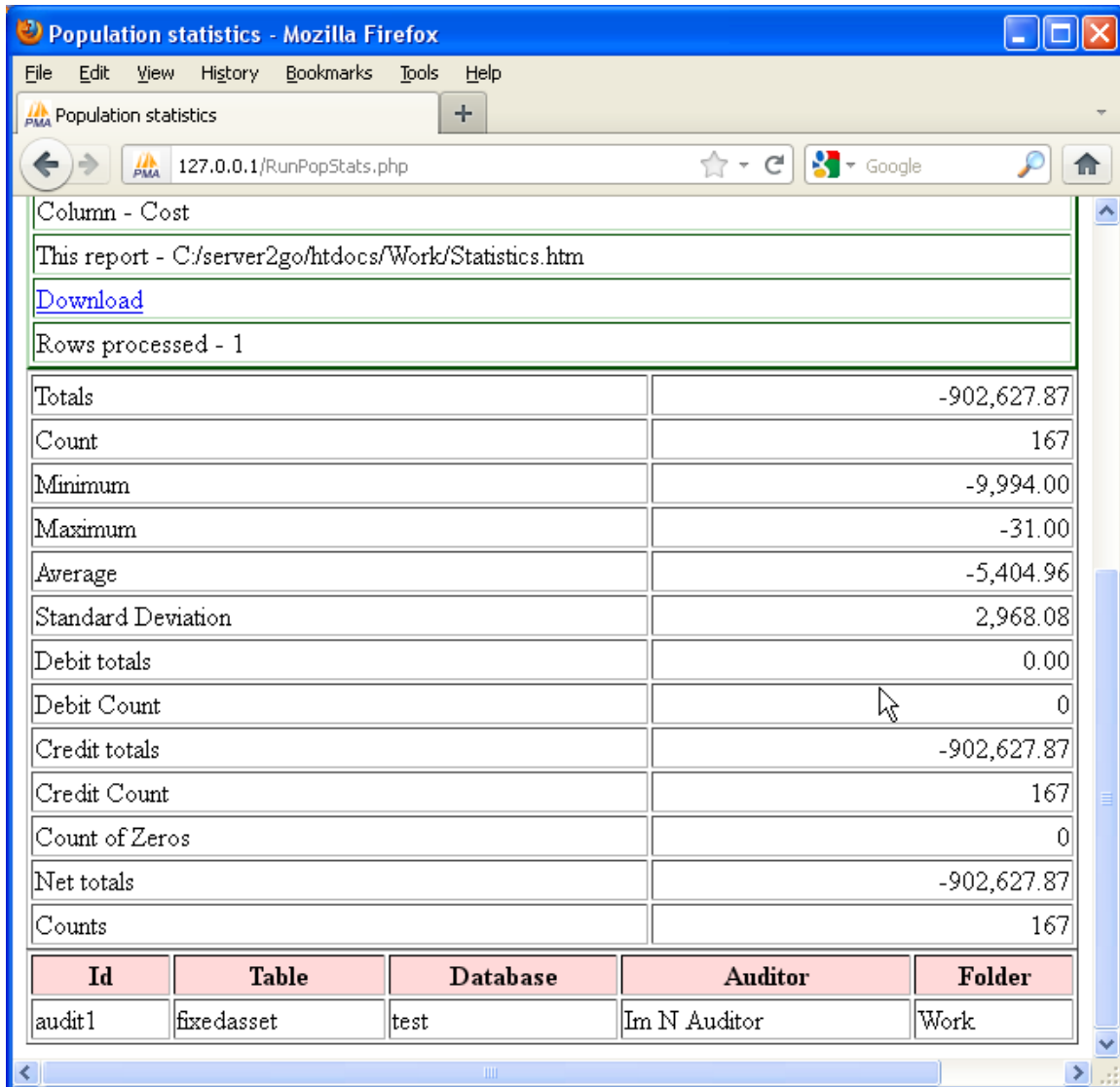
[Download](#)

Rows processed - 1

Totals	-902,627.87
Count	167

## Auditing fixed assets with Web CAAT

Totals and counts are shown on the report. There is obviously a fairly significant data integrity problem here!



Population statistics - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Population statistics

127.0.0.1/RunPopStats.php

Column - Cost

This report - C:/server2go/htdocs/Work/Statistics.htm

[Download](#)

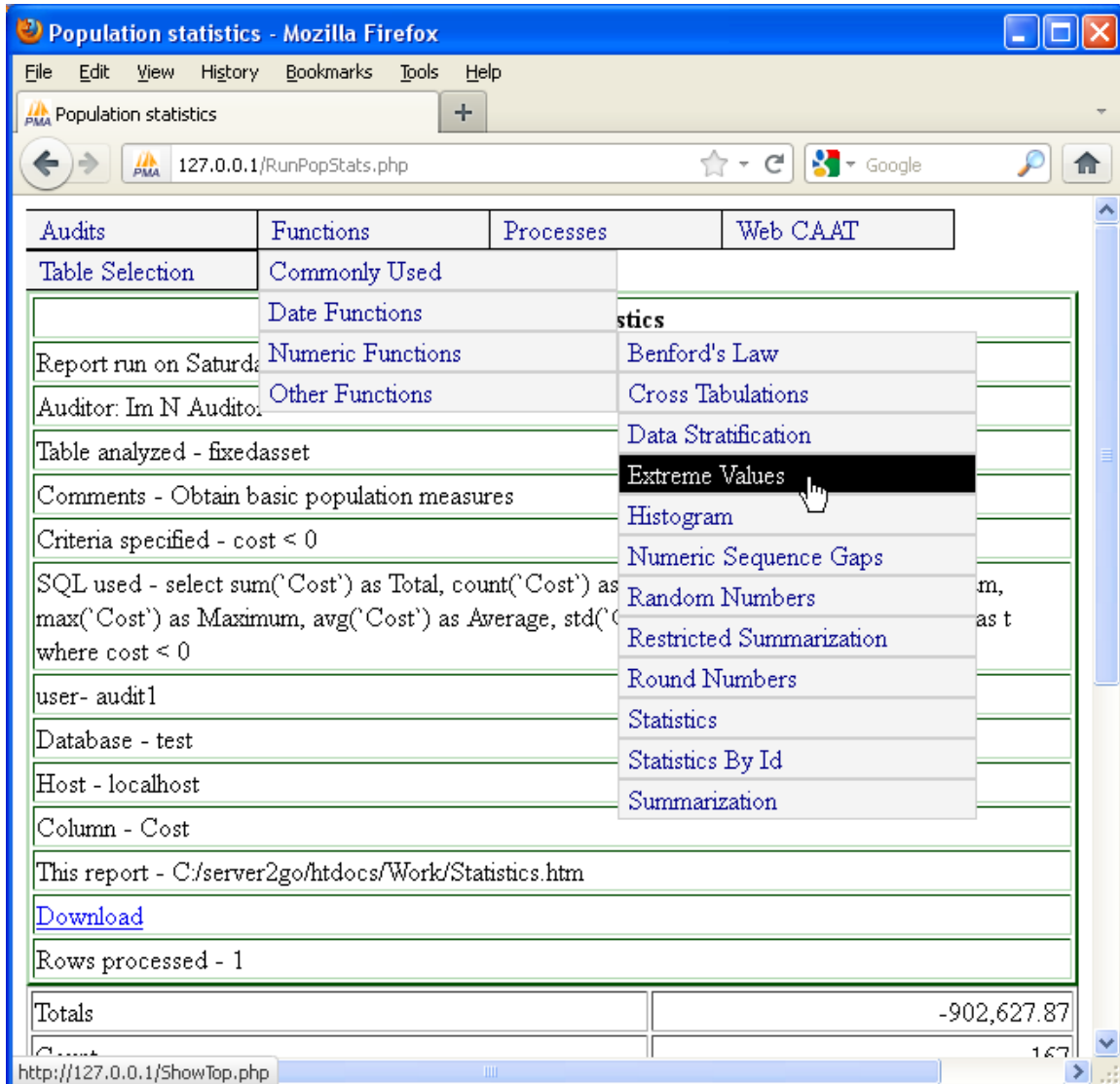
Rows processed - 1

Totals	-902,627.87
Count	167
Minimum	-9,994.00
Maximum	-31.00
Average	-5,404.96
Standard Deviation	2,968.08
Debit totals	0.00
Debit Count	0
Credit totals	-902,627.87
Credit Count	167
Count of Zeros	0
Net totals	-902,627.87
Counts	167

<b>Id</b>	<b>Table</b>	<b>Database</b>	<b>Auditor</b>	<b>Folder</b>
audit1	fixe dasset	test	Im N Auditor	Work

## Task 8 –Prepare a schedule of the ten highest valued assets.

Often it is desirable to test the largest values on a 100% basis. The system can easily obtain a specified number of the largest (or smallest) values. The menu item is “Functions | numeric functions | extreme values”.



## Auditing fixed assets with Web CAAT

The numeric column to test is “cost” which is selected from the drop-down list.

Extreme Values - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Extreme Values

127.0.0.1/ShowTop.php

Audits Functions Processes Web CAAT

Table Selection

Identify Extreme values

Table	fixedasset
Amount Column	Acquisition
Number of items	Acquisition
Largest	AD
Smallest	Bookval
W/P Doc	Cost
All column names (for reference)	Depr
Example criteria	Life
Where (criteria)	RepCost
Purpose/Comments	Replace
	Salvage
	TagNo

Example criteria: Show examples by clicking the drop down button to the right

Where (criteria):

Purpose/Comments: identify largest/smallest values for testing or tie-in

Help: numeric column to be used for the test

Process

## Auditing fixed assets with Web CAAT

The number of items to list is 10, and they should be the largest values.

Extreme Values - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Extreme Values

127.0.0.1/ShowTop.php

Audits Functions Processes Web CAAT

Table Selection

**Identify Extreme values**

Table	fixedasset
Amount Column	Cost
Number of items	10
Largest	<input checked="" type="radio"/> Top
Smallest	<input type="radio"/> Bottom
W/P Doc	Work/LargeValues.htm
All column names (for reference)	Accode
Example criteria	Show examples by clicking the drop down button to the right
Where (criteria)	
Purpose/Comments	identify largest/smallest values for testing or tie-in

Help

**Process**



## Auditing fixed assets with Web CAAT

Upon clicking the “Process” button the system prepares a report of the results.

**Extreme Values - Mozilla Firefox**

File Edit View History Bookmarks Tools Help

Extreme Values

127.0.0.1/RunTop.php

Audits Functions Processes Web CAAT

Table Selection

**Extremes report**

Report run on Saturday 31st of December 2011 11:17:09 AM

Auditor: Im N Auditor

Table analyzed - fixedasset

Comments - identify largest/smallest values for testing or tie-in

Criteria specified -

SQL used - select 'Cost', t.\* from fixedasset as t order by 'Cost' desc limit 10

user- audit1

Database - test

Host - localhost

Column - Cost

This report - C:/server2go/htdocs/Work/LargeValues.htm

[Download](#)

Rows processed - 10

Extremes to return - 10

Type of selection - largest

Cost TagNo Cost AD Replace Bookval Salvage Depr Life Location AcqDate

## Auditing fixed assets with Web CAAT

The ten asset records with the largest cost values are listed in descending order. This information can be copied and pasted into an Excel workbook for use in performing detailed tests.

Column - Cost

This report - C:/server2go/htdocs/Work/LargeValues.htm

[Download](#)

Rows processed - 10

Extremes to return - 10

Type of selection - largest

Cost	TagNo	Cost	AD	Replace	Bookval	Salvage	Depr	Life	Location	AcqDate
9997.00	2523.00	9997.00	4019.16	2999.00	5977.84	1999.00	803.83	4.00	ABC	2009-08-0
9995.00	3002.00	9995.00	4065.58	2998.00	5929.42	1999.00	813.12	12.00	ABC	2010-05-2
9994.99	2374.00	9994.99	4070.43	2998.00	5924.56	1999.00	814.09	10.00	ABC	2011-07-2
9994.00	1274.00	9994.00	4052.28	2998.00	5941.72	1999.00	810.46	9.00	ABC	2010-09-1
9991.00	3245.00	9991.00	4055.28	2997.00	5935.72	1998.00	811.06	7.00	FGT	2011-05-0
9990.00	2240.00	9990.00	4019.03	2997.00	5970.97	1998.00	803.81	7.00	AB	2010-12-0
9988.00	4789.00	9988.00	4046.36	2996.00	5941.64	1998.00	809.27	6.00	ABC	2009-11-2
9977.00	4252.00	9977.00	4014.10	2993.00	5962.90	1995.00	802.82	4.00	ABC	2011-06-0
9975.00	3782.00	9975.00	4015.73	2992.00	5959.27	1995.00	803.15	12.00	ABC	2010-09-0
9970.00	2704.00	9970.00	7976.00	2991.00	1994.00	1994.00	902.40	8.00	ABC	2011-02-2

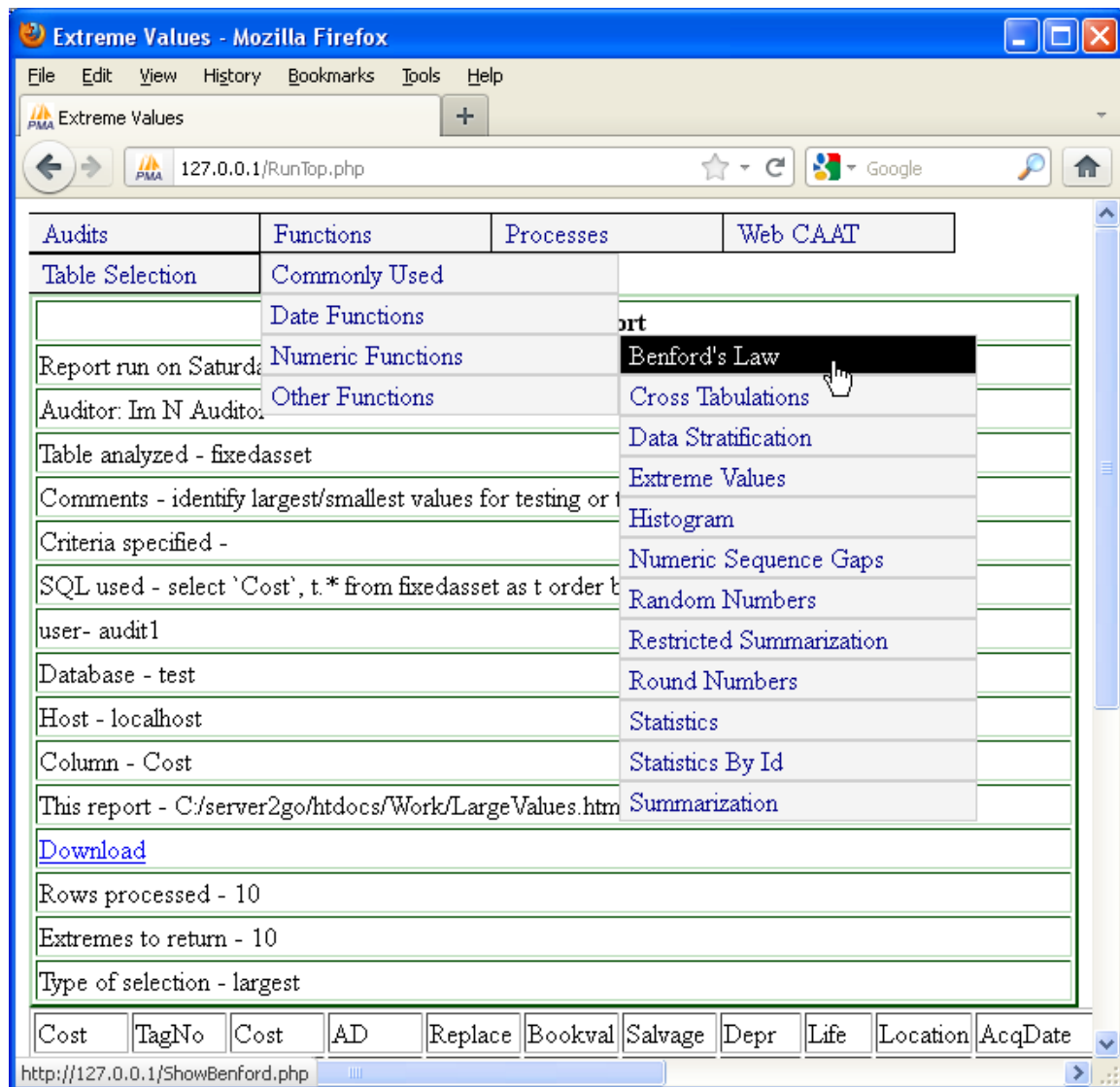
<b>Id</b>	<b>Table</b>	<b>Database</b>	<b>Auditor</b>	<b>Folder</b>
audit1	fixedasset	test	Im N Auditor	Work

## Auditing fixed assets with Web CAAT

### Task 9 –test the application of Benford’s Law.

The application of Benford’s Law is common in fraud investigations. Because the test is so simple to perform, it is interesting to see if the fixed asset records of cost conform with that expected using Benford’s law.

The menu item is “Functions | Numeric functions | Benford’s Law”.



## Auditing fixed assets with Web CAAT

The numeric column to be analyzed is “cost” which is selected from the drop down list.

Test Benford's Law - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Test Benford's Law

127.0.0.1/ShowBenford.php

Audits Functions Processes Web CAAT

Table Selection

Assess using Benford's Law

Table	fixedasset
Column	Acquisition
Benford Test type	Acquisition
W/P Doc	ntm
All column names (for reference)	Acquisition AD Bookval Cost Depr Life RepCost Replace Salvage TagNo
Example criteria	s by clicking the drop down button to the right
Where (criteria)	
Purpose/Comments	Test transaction amounts according to Benford's Law

Help

numeric column to be used for the test

Process

Form instructions

For some forms, the mouse over will provide a description or purpose of the data element input form

## Auditing fixed assets with Web CAAT

The test to be performed will be for the first digit.

Test Benford's Law - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Test Benford's Law

127.0.0.1/ShowBenford.php

Audits Functions Processes Web CAAT

Table Selection

Assess using Benford's Law

Table	fixedasset
Column	Cost
Benford Test type	First digit
W/P Doc	
All column names (for reference)	
Example criteria	clicking the drop down button to the right
Where (criteria)	
Purpose/Comments	Test transaction amounts according to Benford's Law

Help

Process

Form instructions

For some forms, the **mouse over** will provide a description or purpose of the data element input form

## Auditing fixed assets with Web CAAT

Once all the information has been entered, click the “Process” button.

Test Benford's Law - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Test Benford's Law

127.0.0.1/ShowBenford.php

Audits Functions Processes Web CAAT

Table Selection

Assess using Benford's Law

Table	fixedasset
Column	Cost
Benford Test type	First digit
W/P Doc	Work/Benford.htm
All column names (for reference)	Accode
Example criteria	Show examples by clicking the drop down button to the right
Where (criteria)	
Purpose/Comments	Test transaction amounts according to Benford's Law

Help

Process

Form instructions

For some forms, the **mouse over** will provide a description or purpose of the data element input form

## Auditing fixed assets with Web CAAT

The report and parameters used are displayed.

The screenshot shows a Mozilla Firefox browser window titled "Benford's Law - Mozilla Firefox". The address bar shows the URL "127.0.0.1/RunBenford.php". The page has a navigation bar with tabs: "Audits", "Functions", "Processes", and "Web CAAT". Below the navigation bar is a "Table Selection" dropdown menu. The main content area displays a "Benford's Law Report" with the following details:

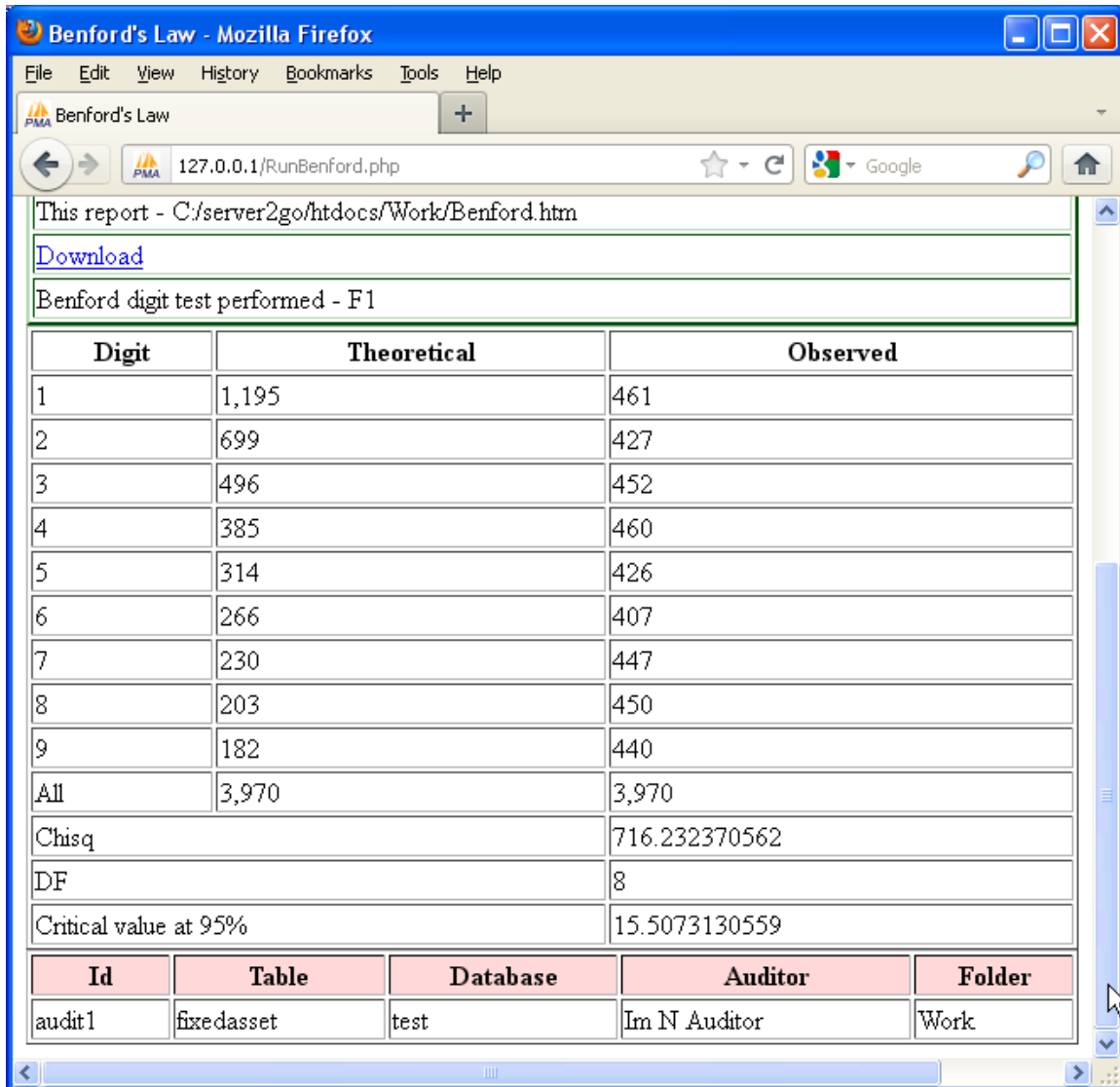
- Report run on Saturday 31st of December 2011 11:23:32 AM
- Auditor: Im N Auditor
- Table analyzed - fixedasset
- Comments - Work/Benford.htm
- Criteria specified -
- SQL used - select 'Cost' from 'fixedasset' as t
- user- audit1
- Database - test
- Host - localhost
- Column - 'Cost'
- This report - C:/server2go/htdocs/Work/Benford.htm
- [Download](#)
- Benford digit test performed - F1

Below the report details is a table with three columns: "Digit", "Theoretical", and "Observed".

Digit	Theoretical	Observed
1	1,195	461
2	699	427

## Auditing fixed assets with Web CAAT

The cost information does not conform with that expected using Benford's law. This can be confirmed using the statistical information presented. To determine, at a 95% confidence level, that the data does conform, the chi squared value would need to be 15 or less. However, the Chi Square value obtained is 716, far too high. From a visual review of the counts, it can be seen that the cost values are fairly uniformly distributed.



Benford's Law - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Benford's Law

127.0.0.1/RunBenford.php

This report - C:/server2go/htdocs/Work/Benford.htm

[Download](#)

Benford digit test performed - F1

Digit	Theoretical	Observed
1	1,195	461
2	699	427
3	496	452
4	385	460
5	314	426
6	266	407
7	230	447
8	203	450
9	182	440
All	3,970	3,970
Chisq		716.232370562
DF		8
Critical value at 95%		15.5073130559

Id	Table	Database	Auditor	Folder
audit1	fixedasset	test	Im N Auditor	Work

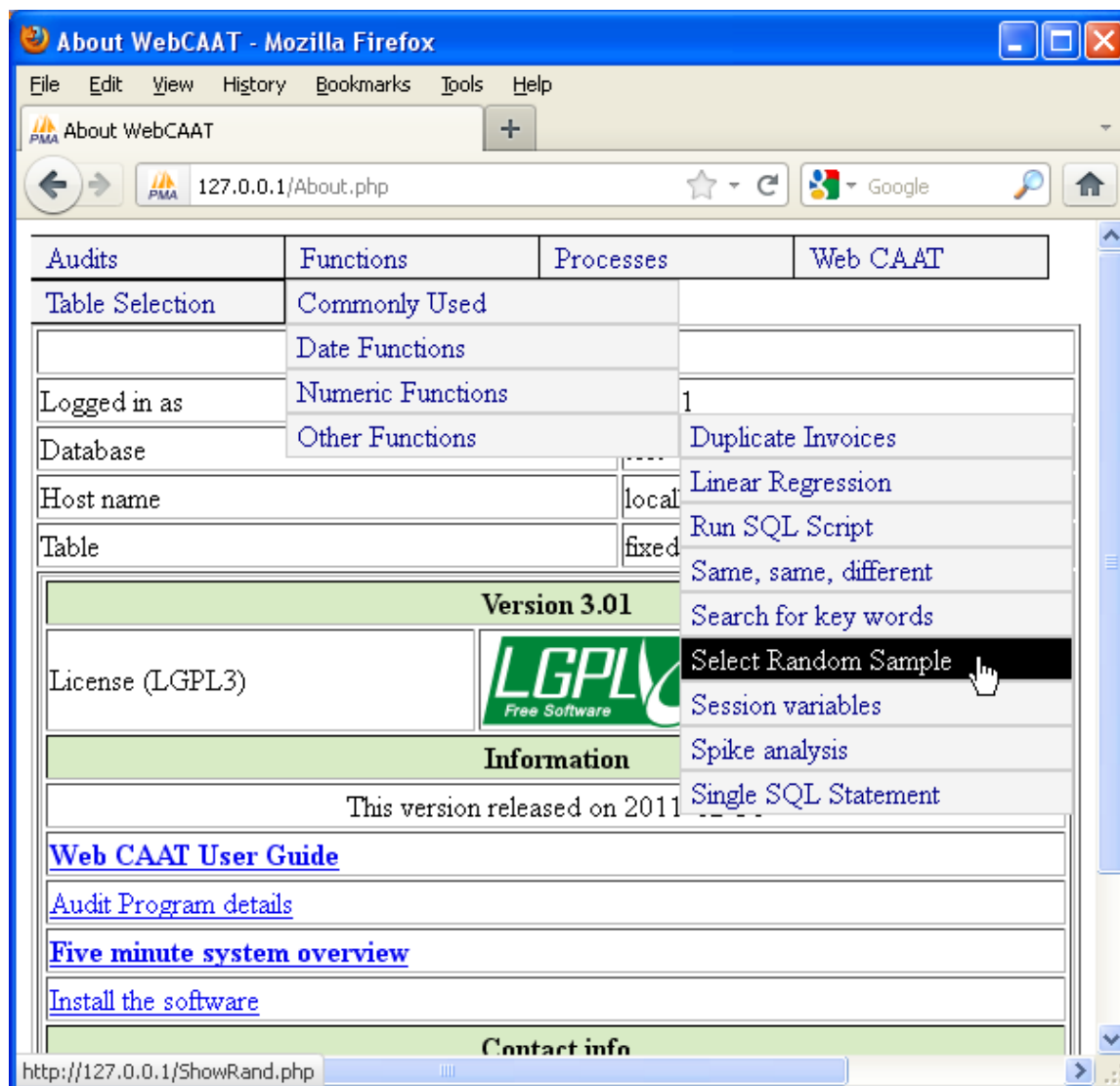


## Auditing fixed assets with Web CAAT

Task 10 –Select a random sample of 20 asset records to test.

Often audits will require the selection of a random sample for audit testing. Random samples can be obtained fairly easily. The random number generator used is the Mersenne twister which has passed the “Die Hard” test of the National Institute of Standards (NIST).

Menu item is “Functions | Other functions | Select random sample”.



## Auditing fixed assets with Web CAAT

The number of samples to be selected is specified (in this example, 20)

**Select Random Samples - Mozilla Firefox**

File Edit View History Bookmarks Tools Help

Select Random Samples

127.0.0.1/ShowRand.php

Audits Functions Processes Web CAAT

Table Selection

**Select Random Samples**

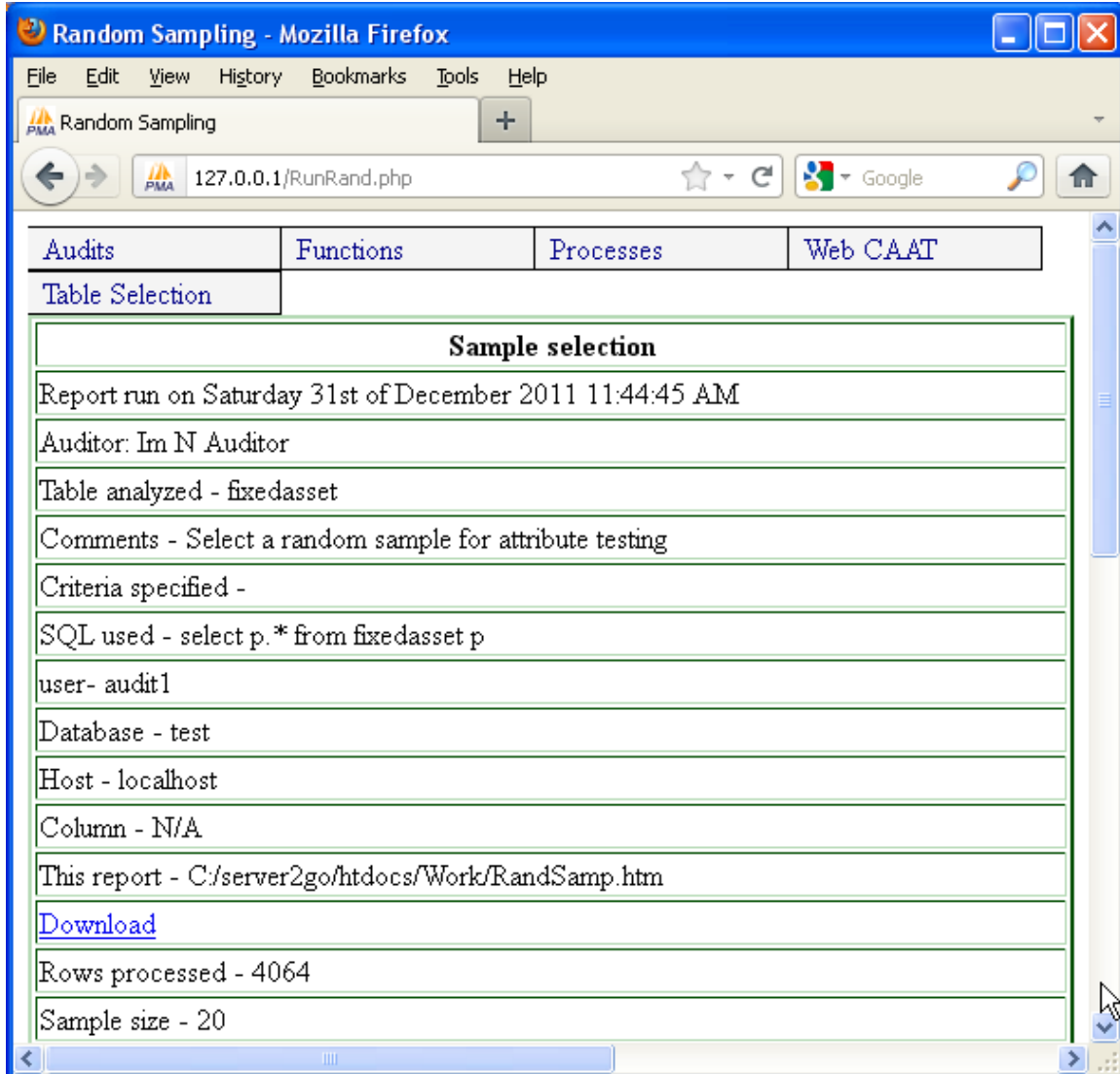
Table	fixedasset
Number of samples	20
W/P Doc	20
All column names (for reference)	
Example criteria	Show examples by clicking the drop down button to the right
Where (criteria)	
Purpose/Comments	Select a random sample for attribute testing

Help

**Process**

## Auditing fixed assets with Web CAAT

The “Process” button is clicked and the report is prepared.



## Auditing fixed assets with Web CAAT

The twenty random samples requested are provided. (Not all samples are shown).

Random Sampling - Mozilla Firefox

File Edit View History Bookmarks Tools Help

Random Sampling

127.0.0.1/RunRand.php

Sample size - 20

TagNo	Cost	AD	Replace	Bookval	Salvage	Depr	Life	Location	AcqDate
5159.00	6031.00	2469.04	1809.00	3561.96	1206.00	493.81	4.00	ABC	2011-05-2
2832.00	6601.00	2693.37	1980.00	3907.63	1320.00	538.67	4.00	ABC	2009-05-1
2352.00	659.00	267.55	198.00	391.45	132.00	53.51	12.00	ABC	2009-08-1
2626.00	7695.00	3147.18	2308.00	4547.82	1539.00	629.44	3.00	ABC	2010-08-0
4232.00	4544.00	1835.21	1363.00	2708.79	909.00	367.04	12.00	ABC	2010-05-2
3643.00	3882.00	1563.01	1165.00	2318.99	776.00	312.60	6.00	ABC	2009-05-0
1905.00	7431.00	2997.14	2229.00	4433.86	1486.00	599.43	7.00	ABC	2010-10-0
4593.00	9037.00	3656.31	2711.00	5380.69	1807.00	731.26	3.00	ABC	2009-04-2
3765.00	6789.00	2736.86	2037.00	4052.14	1358.00	547.37	8.00	ABC	2009-07-2
4372.00	5508.00	2211.13	1652.00	3296.87	1102.00	442.23	12.00	ABC	2011-06-1
1433.00	2661.00	1082.67	798.00	1578.33	532.00	216.53	6.00	ABC	2009-07-1
2741.00	5472.00	2217.85	1642.00	3254.15	1094.00	443.57	4.00	ABC	2010-12-3
2899.00	86.00	34.88	26.00	51.12	17.00	6.98	7.00	ABC	2009-03-2
4259.00	2985.00	1212.75	896.00	1772.25	597.00	242.55	12.00	ABC	2011-07-2
2838.00	3556.00	1444.65	1067.00	2111.35	711.00	288.93	4.00	ABC	2009-11-0