



Business integrity, insight
and beyond

Probe Attorneys

Version 2014.01.01





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Overview

Probe Attorneys uses the latest CaseWare and template technology, creating a way to conduct reasonable assurance engagements on attorneys trust accounts.

This template includes requirements from:

- The IRBA's guide titled: "Engagements on Attorneys Trust Accounts"
- ISAE 3000 Assurance Engagements Other Than Audits or Reviews of Historical Financial Information.
- The Law Societies of the Northern Provinces, KwaZulu-Natal Law Society, Law Society of the Free State and Cape Law Society.
- Attorneys Act, No 53 of 1979.
- Financial Intelligence Centre Act.

The main purpose of an engagement on attorneys trust accounts is for the auditor to express a reasonable assurance opinion on whether, for the relevant financial period, the attorney's trust accounts were maintained in compliance with the Attorneys Act, No 53 of 1979 and the Law Societies' Rules.

The secondary purpose is for the auditor to agree the information extracted from the accounting records and included in the Attorney's Annual Statement on Trust Accounts to the underlying records and report as required.

This template *does not* provide guidance in respect of the audit or review of an attorney's financial statements, which are conducted in accordance with International Standards on Auditing (ISAs) or the International Standard on Review Engagements (ISRE) 2400, as applicable.

What's New

We are keeping the engagement simple and smart therefore minimising the amount of documents to be completed for the reasonable assurance engagement on trust accounts.

New Documents

The following documents will be added to your document library:

Planning

13.20 Engagement evaluation and planning

The objectives of this document are to:

- Ensure that the audit firm accepts clients that fit the firm's risk profile and that the terms of the engagement have been agreed upon between the firm and the client.
- Assist you in gaining a high-level understanding of the attorneys trust account and its environment.
- Assist you in determining whether you want to assess materiality, and then also in determining the materiality figures which will be applied at the planning stage and in performing the assurance engagement on the attorneys trust account.



13.21 Engagement letter

This document will assist you in confirming the terms and conditions of the engagement with management and, where appropriate, those charged with governance.

13.30 Discussions with those charged with governance

The objective of this document is to guide the documentation of enquiries from management and, where appropriate, those charged with governance, as well as to prompt you to discuss pertinent information relevant to the engagement with those aforementioned.

13.31 Discussions with money laundering compliance officer

This document should be used to document enquiries to the money laundering compliance officer. It will also prompt you to discuss pertinent information relevant to the engagement with the money laundering compliance officer.

13.40 Time budget

Use this document when preparing the engagement budget at planning stage and for subsequent comparison to actual results.

13.50 Risk and control assessment

The objectives of the document are to:

- Identify, assess and document fraud and inherent risks at an overall level through risk indicators and obtaining an understanding of the entity and its environment.
- Identify and evaluate any non-compliance with the rules of the law societies.
- Consider the design and implementation of relevant control activities; identify controls that can be relied on, designing tests of control as well as identifying and reporting control weaknesses.

13.60 Planning memorandum

This document should be used to provide the engagement team with an overview of the engagement plan and strategy as well as a summary of the knowledge of the business obtained. The document will also assist you to document the outcome and minutes of the planning meeting.

Performing

Work programs

- 81.10 Accounting records work program
- 82.10 Transactions and balances work program
- 83.10 Investments work program
- 84.10 Service activities work program

These work programs should be used to set forth the procedures necessary to complete an efficient and effective engagement on attorneys trust accounts. It consists of a detailed plan of the work that must be performed, encourages a thorough understanding of the section being performed and includes the steps required to achieve the reasonable assurance engagement objectives.

These work programs also furnishes evidence that the work was adequately planned and provides a record that can be reviewed and approved by management before performing the work, thereby contributing to assignment supervision and aiding the reviewer in reviewing the assurance engagement.

Lastly these work programs provides assurance that all appropriate risk areas have received adequate consideration and that important aspects of the assurance engagement have not been omitted, while bringing order and coherence to the engagement and providing a record of work completed.

Finalising

03.00 Finalisation

The objectives of this document are to:

- Document to sign off on the engagement file, by the Engagement Partner. This document provides the partner with a summary of risks recorded, responses to the recorded risks and conclusions reached on the work programs.
- Assist you in identifying and recording subsequent events, obtain sufficient appropriate evidence about events occurring between the date of the attorneys annual statement and the date of the auditor's report and respond appropriately to facts that became known to the auditor after the date of the auditor's report.
- Assist the auditor-in-charge, senior or team member on similar level in ensuring that the engagement file contains all relevant documentation.

03.90 Report to management and those charged with governance

Use this document to record management report letter points found during the engagement and to report them to management and those charged with governance.

03.92 Letter of representation

Use this as guidance when obtaining written representations from management –

- confirming matters that they believe and
- also agreeing that they fulfilled their responsibility in maintaining the attorneys trust account(s) in terms the rules of the Law Society and Attorneys Act, and
- that all information provided to the auditor is complete and accurate and supports other evidence relevant to the attorneys trust account(s) by means of written representation.





03.95 Auditor's assurance report

The objective of this letter is to allow the auditor to report on the engagement performed and give his/her opinion on whether the attorney's trust account(s) were or were not maintained in compliance with the Attorneys Act and the rules of the Law Society. The document will also allow the auditor to list any non-compliance identified during the engagement, if any.

03.96 Attorneys annual statement

This document will assist the auditor in preparing the attorneys annual statement on behalf of the attorney.



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Other Important Details

Register at www.cqs.co.za for easy access to frequently asked questions, upgrades, downloads and technical documentation.

Email us at info@cqs.co.za regarding:

Feedback

Ideas on service or products

Product information

Account or license information

Any other queries

