

A woman with glasses and a patterned sweater is sitting at a desk, typing on a laptop. The background shows a window with curtains. A semi-transparent white box is overlaid on the right side of the image, containing the title text.

Step by step word processing exercises

Word processing exercises

The purpose of the following exercises is to help you practise the common functionality which is available in the word processing response area for both Applied Skills and Strategic Professional CBEs.

The exercises will take you through a set of examples, step by step, using some of the main pieces of functionality you are likely to need in the exams. The exercises have been based on a number of Audit and Assurance style questions as this subject makes use of the word processing area for the majority of questions. The exercises do not assume any knowledge of this topic; instead they are designed for you to practise how to use the word processing response area.

LEARNING OUTCOMES

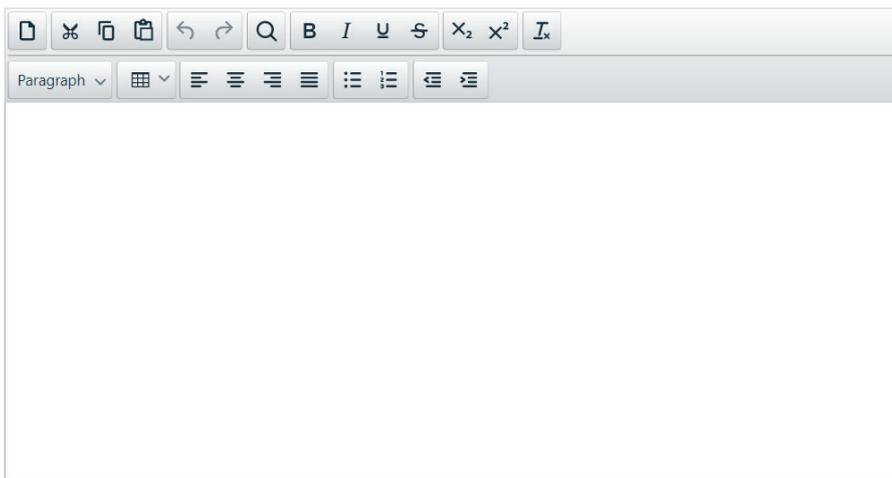
There are three exercises; over the course of completing them you will practise and gain skills in the following areas:

- Inputting text and carrying out basic formatting
- Inputting and formatting tables
- Interacting with pre-formatted response areas.

Exercise one

STEP 1

Open up a word processing response area in any blank workspace on the ACCA Practice Platform. It should look like this:



STEP 2

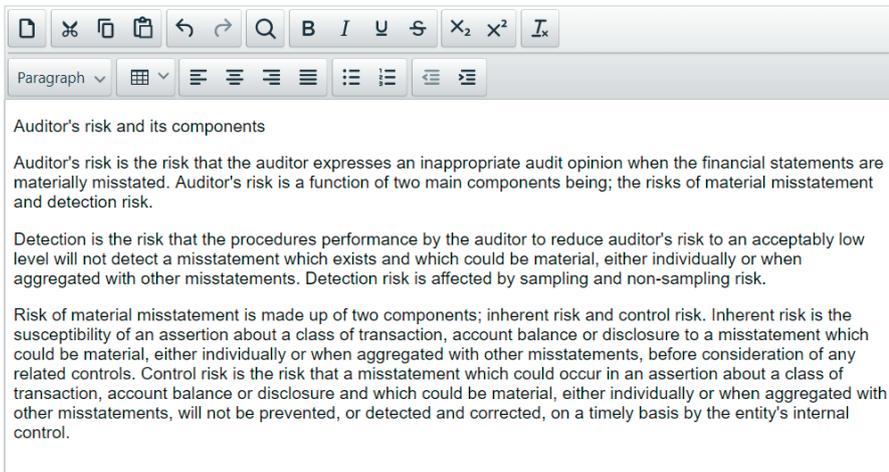
Type the following paragraphs into the word processing sheet:

Auditor's risk and its components

Auditor's risk is the risk that the auditor expresses an inappropriate audit opinion when the financial statements are materially misstated. Auditor's risk is a function of two main components being; the risks of material misstatement and detection risk.

Detection is the risk that the procedures performed by the auditor to reduce auditor's risk to an acceptably low level will not detect a misstatement which exists and which could be material, either individually or when aggregated with other misstatements. Detection risk is affected by sampling and non-sampling risk.

Risk of material misstatement is made up of two components; inherent risk and control risk. Inherent risk is the susceptibility of an assertion about a class of transaction, account balance or disclosure to a misstatement which could be material, either individually or when aggregated with other misstatements, before consideration of any related controls. Control risk is the risk that a misstatement which could occur in an assertion about a class of transaction, account balance or disclosure and which could be material, either individually or when aggregated with other misstatements, will not be prevented, or detected and corrected, on a timely basis by the entity's internal control.



FORMATTING EXERCISE

Let's do some formatting to improve the layout and content of the answer. If you are accustomed to using word processing packages have a go at making the following amendments. Otherwise step by step instructions are detailed below.

Exercise 1

You are required to carry out the following amendments:

- 1 Format the heading 'Auditor's risk and its components' to paragraph style 'Heading 4' and centre the heading
- 2 Using cut and paste, move paragraph two to the end of the document
- 3 Insert a heading above paragraph two – Risks of material misstatement – and make the heading bold and centre
- 4 Insert a heading above paragraph three – Detection risk – and make the heading bold and centre
- 5 Insert bullet points to create a numbered list against risk of material misstatement and inherent risk in the first paragraph
- 6 Audit risk has been incorrectly referred to as auditor's risk throughout, perform a 'find and replace' to correct this error

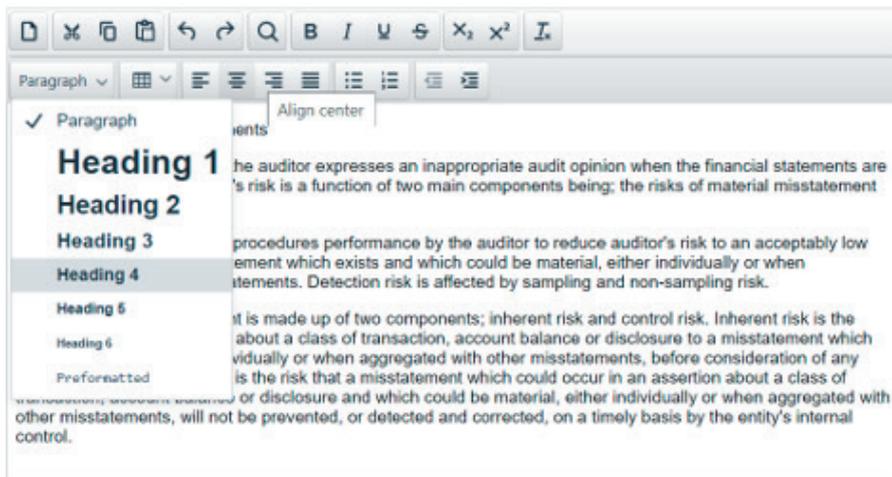
SOLUTION: STEP-BY-STEP GUIDE

- 1 To format the heading firstly you need to select the text you wish to format. Place your cursor at the end of the heading and highlight the text by left clicking and dragging until all of the heading is highlighted.

Any formatting you select will now apply to all the selected text. Select the option in the toolbar marked 'paragraph'¹ and select Heading 4.

While the text is still highlighted select the 'align center'² option from the tool bar.

The image below demonstrates these stages



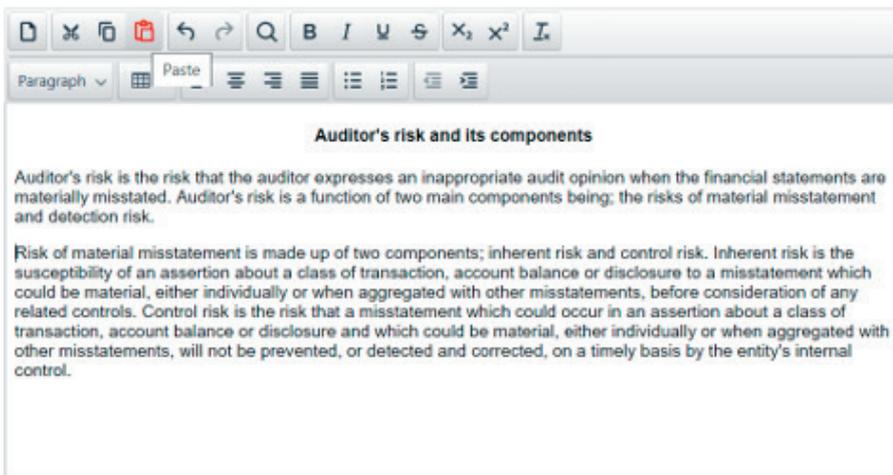
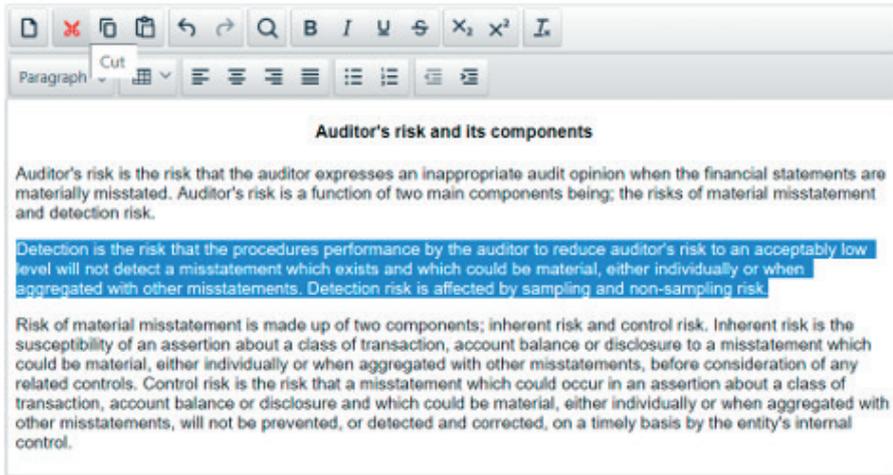
- 2 To rearrange the paragraphs again select all the text in paragraph two by clicking and dragging until all the text is highlighted. Select the cut³ option in the toolbar and the text will temporarily disappear. Now place your cursor under the final paragraph and click the place you now wish to paste the text. Select the paste⁴ option in the toolbar and the text will now reappear in its new location. Use the enter/return key to create a line space between the previous paragraph and the paragraph you have just pasted.

Alternatively you can use the keyboard commands to cut (CTRL + X) and paste (CTRL + V).

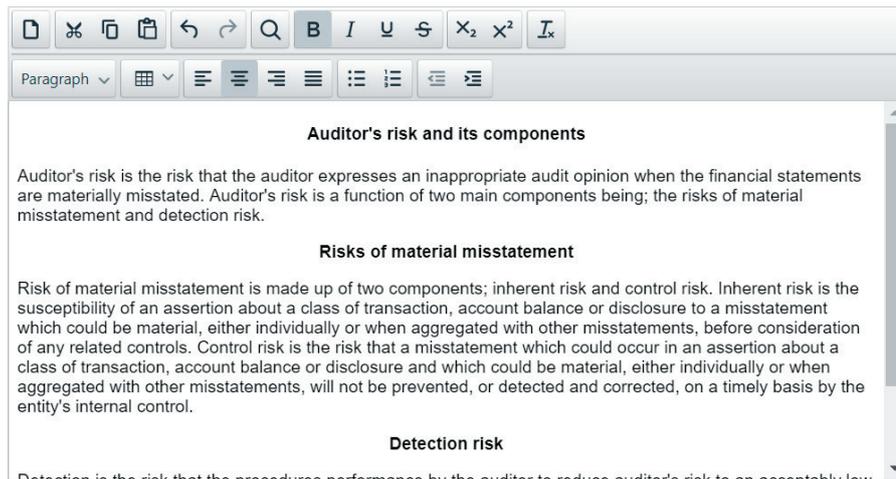
If you want to copy (repeat) text you would use the copy⁵ option or the keyboard command CTRL + C. Copying can be very useful where you are repeating headings in a table.



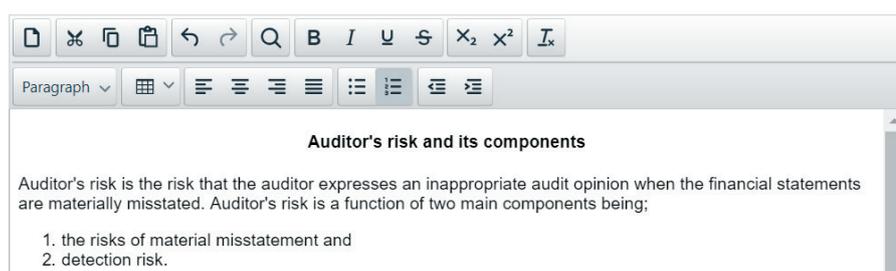
Again these stages are represented in the images below.



- 3 To insert a new heading place your cursor at the start of paragraph two and type in Risk of Material Misstatement and press the enter/return key. Select the text you have just inserted by clicking and dragging as you did before and select the 'Bold'⁶ option on the toolbar. Again you can use the keyboard command to carry out this task (CTRL +B). As you did before while the text is still highlighted select the align center⁷ option from the tool bar .
- 4 Follow the steps above to insert the 'Detection Risk' Heading



- 5 To insert a numbered list as required by correction 3, place your cursor after the semi-colon in paragraph one – directly preceding 'the risk of material misstatement' and press the enter/return key to put this text on a new line. Choose the option on the toolbar to create a numbered list⁸. This will enter the number 1 beside the text and also indent the text to make it stand out from the remaining paragraph. Now place your cursor immediately before 'detection risk' and press the enter/return key – this should automatically include this as the next item in the list.



KEY

6



7

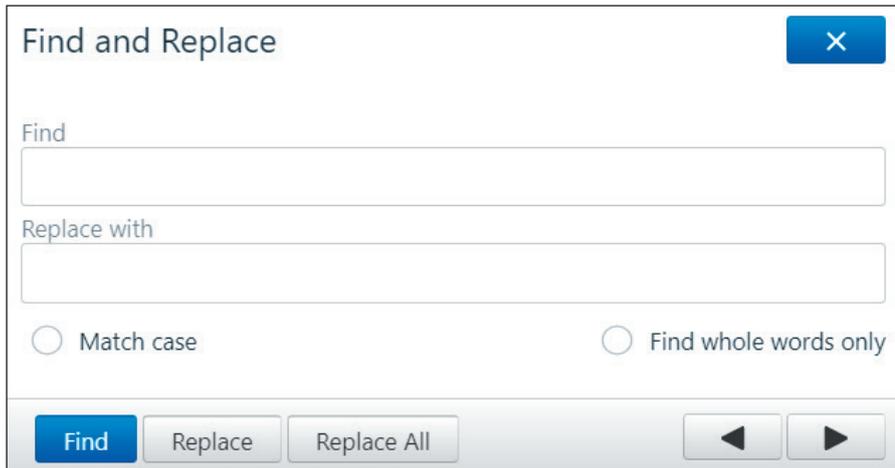


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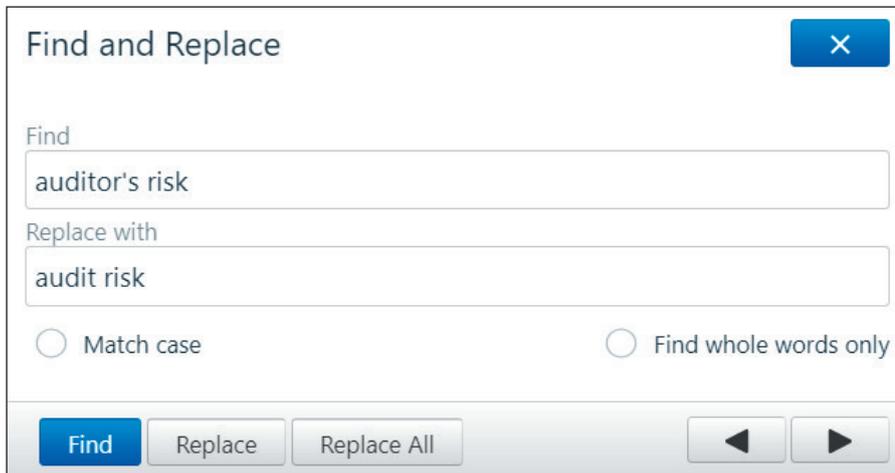
- 6 To replace words that appear several times throughout the text the 'find and replace' function can be used to do this quickly and efficiently. In this instance you need to replace reference to 'auditor's risk' with 'audit risk'. To initiate the find and replace function click on the 'magnifying glass'⁹ icon. This can also be activated with the keyboard command CTRL + F.

This will bring up the following box:



The screenshot shows the 'Find and Replace' dialog box. It has a title bar with a close button (X). Below the title bar, there are two text input fields: 'Find' and 'Replace with'. Below these fields are two radio buttons: 'Match case' and 'Find whole words only'. At the bottom, there are three buttons: 'Find', 'Replace', and 'Replace All', followed by two navigation arrows (left and right).

Type in the term you wish to find throughout the text and also what you wish to replace it with. Be careful here as although you want to replace 'auditor's' with 'audit' you do not necessarily want to replace every instance of 'auditor's' so make sure you search for the term in its entirety as shown:

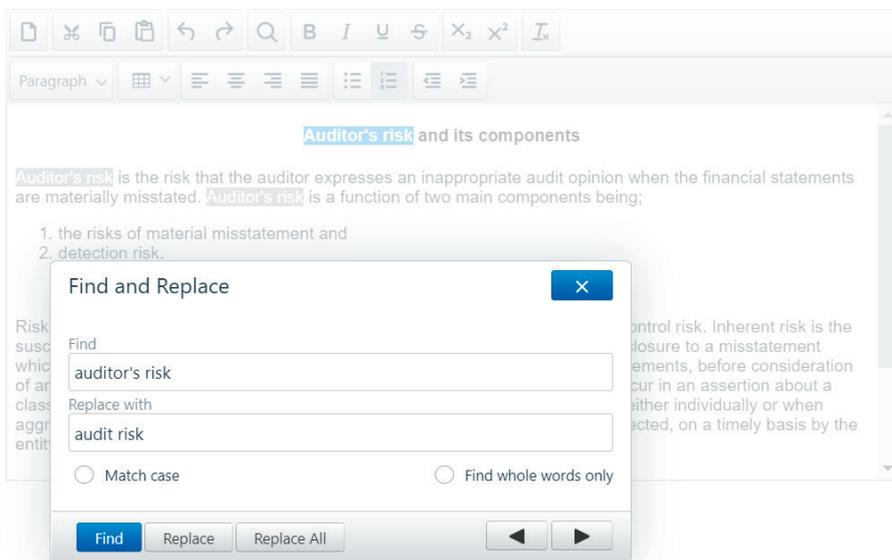


The screenshot shows the 'Find and Replace' dialog box with the following content: The 'Find' field contains the text 'auditor's risk'. The 'Replace with' field contains the text 'audit risk'. The 'Match case' and 'Find whole words only' radio buttons are both unselected. The buttons at the bottom are 'Find', 'Replace', 'Replace All', and navigation arrows.

KEY

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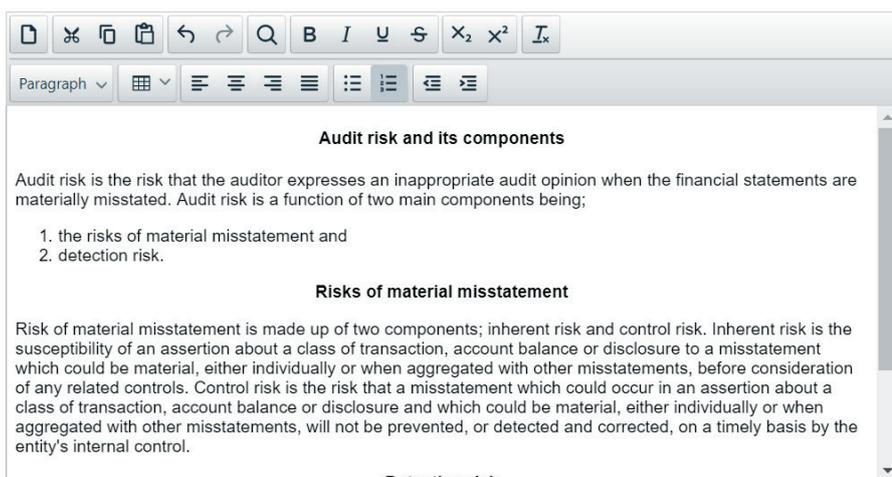
Now click on find and the search function will find and highlight all instances of 'auditors risk' in the text.



If you are happy that all references highlighted should be replaced then click on 'Replace all' otherwise you can work through each by clicking on the 'Prev' and 'Next' buttons in the bottom corner.

In this example all references to 'auditor's risk' should be replaced so select 'replace all'. Note you may have to check upper and lower case requirements and correct the text where necessary.

Your final text should now look as follows and is a much clearer response than the block of text initially input:



FURTHER PRACTICE

Make sure that you select some other paragraphs, perhaps from another specimen exam on the Practice Platform, and practise typing in blocks of text and formatting as you have in this exercise.

Exercise two

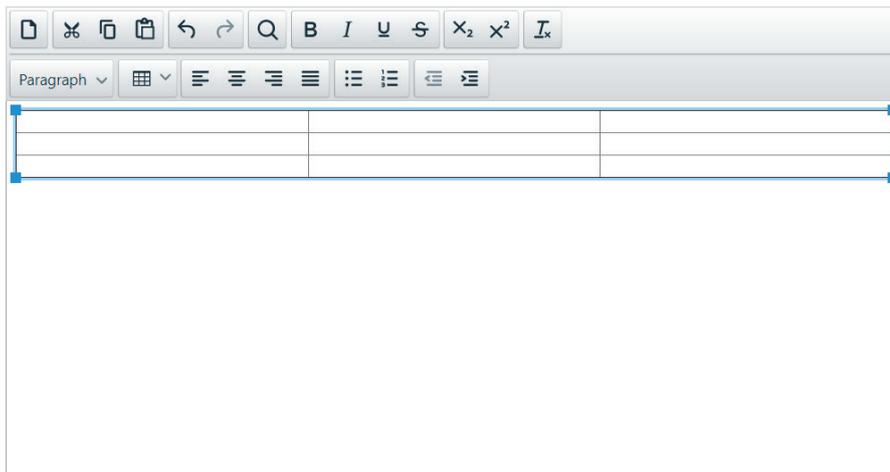
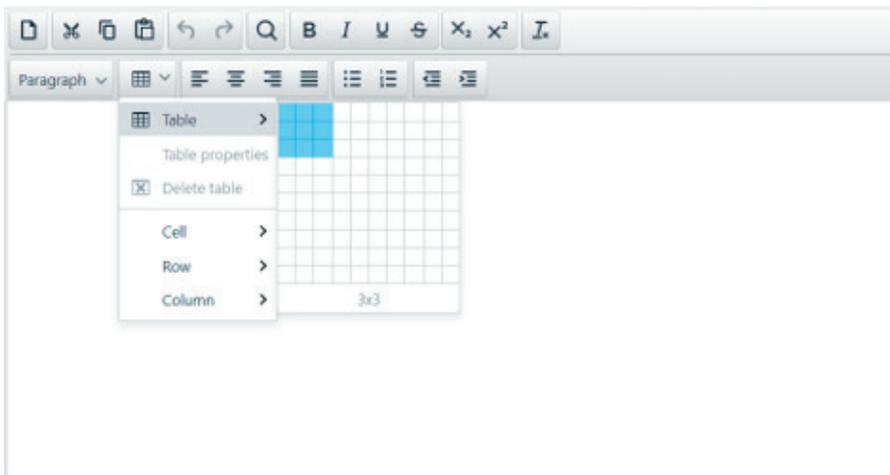
STEP 1

In the ACCA Practice Platform, open a blank workspace and move to a blank word processing response area.

STEP 2

One way you may wish to plan or present your answer is in the format of a table. To insert a table into your answer space, click on the table icon on the tool bar and select the insert table option from the menu.

For this example, let's create a 3 x 3 table.



STEP 3

Label the columns 'Audit risk', 'Auditor's response', 'notes'.

Audit risk	Auditor's response	notes

STEP 4

Record the following audit risks in the table and delete the notes column:

- Identification of capital v revenue expenditure
- Auditor presence at inventory count

Audit risk	Auditor's response	notes
Identification of capital v revenue expenditure		
Auditor presence at inventory count		

To delete the 'notes' column, highlight the column, right click, choose 'column' and then 'delete column'.

Audit risk	Auditor's response	notes
Identification of capital v revenue expenditure		
Auditor presence at inventory count		

The 'notes' column has been deleted from the table.

Audit risk	Auditor's response
Identification of capital v revenue expenditure	
Auditor presence at inventory count	

STEP 5

Lastly, insert one more row to enable you to enter more information into your table. To do this, right click on the last row, choose 'row', then 'insert row after'.

Audit risk	Auditor's response
Identification of capital v revenue expenditure	
Auditor presence at inventory count	

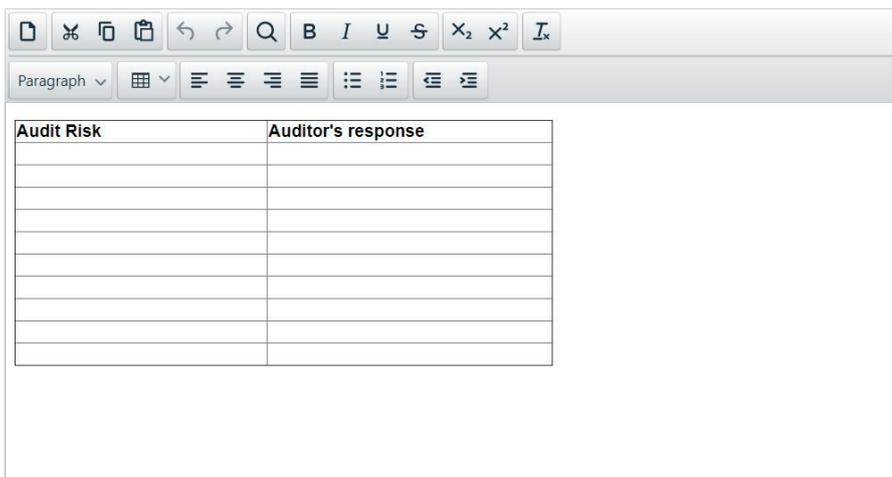
One more row has now been added to the table.

Audit risk	Auditor's response
Identification of capital v revenue expenditure	
Auditor presence at inventory count	

PRE-FORMATTED RESPONSE AREAS

On occasion you may be presented with a pre-formatted word processing response area and it is important that you are comfortable interacting with and using these. The final exercise in this guide is going to use one of these pre-formatted areas to pull together some of the skills you have already learned and to give you more opportunity to practise inputting and formatting your responses.

Open the AA specimen exam in the ACCA Practice Platform and this time use the [navigator¹²](#) button to open question 17. You should see the following pre-formatted response on your screen:



Audit Risk	Auditor's response

KEY

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 Navigator

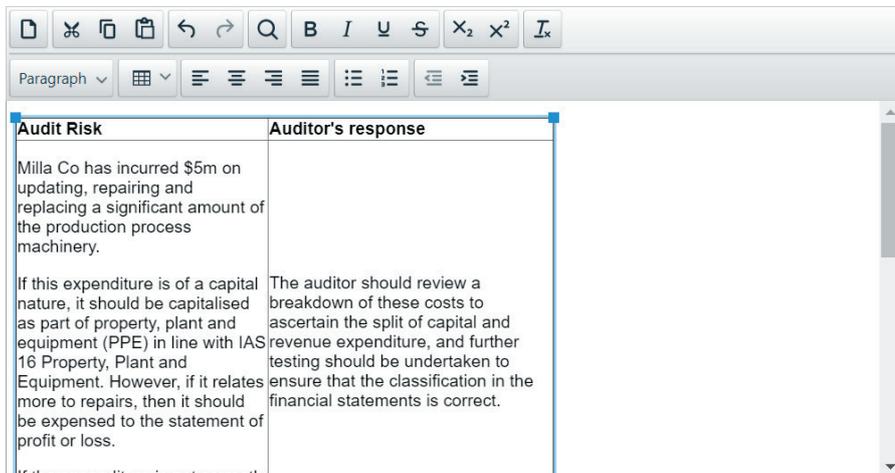
Final exercise

These pre-formatted areas can be modified to be used for a variety of questions and this exercise will use a question that asks for control deficiencies and recommendations only.

Practise inputting the following text into the relevant, remaining areas of the table:

Audit risk	Auditor's response
<p>Milla Co has incurred \$5m on updating, repairing and replacing a significant amount of the production process machinery.</p> <p>If this expenditure is of a capital nature, it should be capitalised as part of property, plant and equipment (PPE) in line with IAS 16 Property, Plant and Equipment. However, if it relates more to repairs, then it should be expensed to the statement of profit or loss.</p> <p>If the expenditure is not correctly classified, profit and PPE could be under or overstated.</p>	<p>The auditor should review a breakdown of these costs to ascertain the split of capital and revenue expenditure, and further testing should be undertaken to ensure that the classification in the financial statements is correct.</p>
<p>At the year end there will be inventory counts undertaken in all 15 warehouses.</p> <p>It is unlikely that the auditor will be able to attend all 15 inventory counts and therefore they need to ensure that they obtain sufficient appropriate audit evidence over the inventory counting controls, and completeness and existence of inventory for any warehouses not visited.</p>	<p>The auditor should assess which of the inventory sites they will attend the counts for. This will be any with material inventory or which have a history of significant errors.</p> <p>For those not visited, the auditor will need to review the level of exceptions noted during the count and discuss the management any issues which arose during the count.</p>

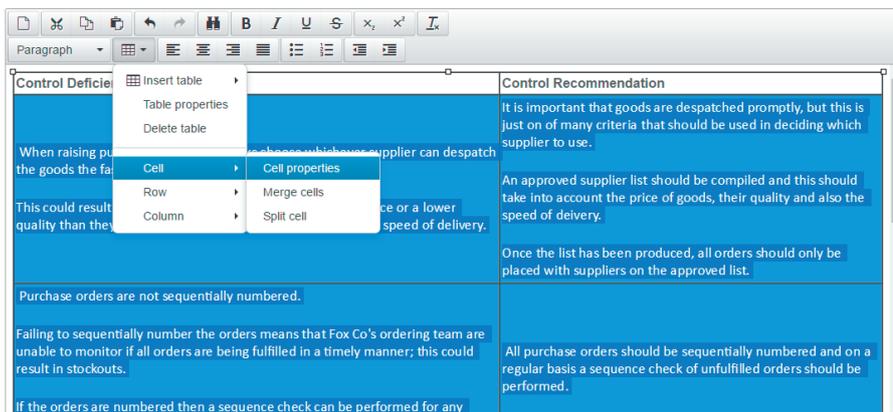
Your input will look similar to the following:



The table can be adjusted to take up the entirety of the workspace provided by dragging the corners of the edges of the table.

You may notice that some of the text is not well aligned as some text is appearing in the middle of the cell and some starts at the top of the cell – you can rectify this by setting the alignment for the text in the table.

- Highlight the text in the table by clicking and dragging as before and click on the **table**¹³ icon, and this time choose 'cell' from the menu, move your cursor right and select 'cell properties', as illustrated below:



The following box will appear:

Cell Properties X

General

Advanced

Width

Height

Cell type

Scope

H Align

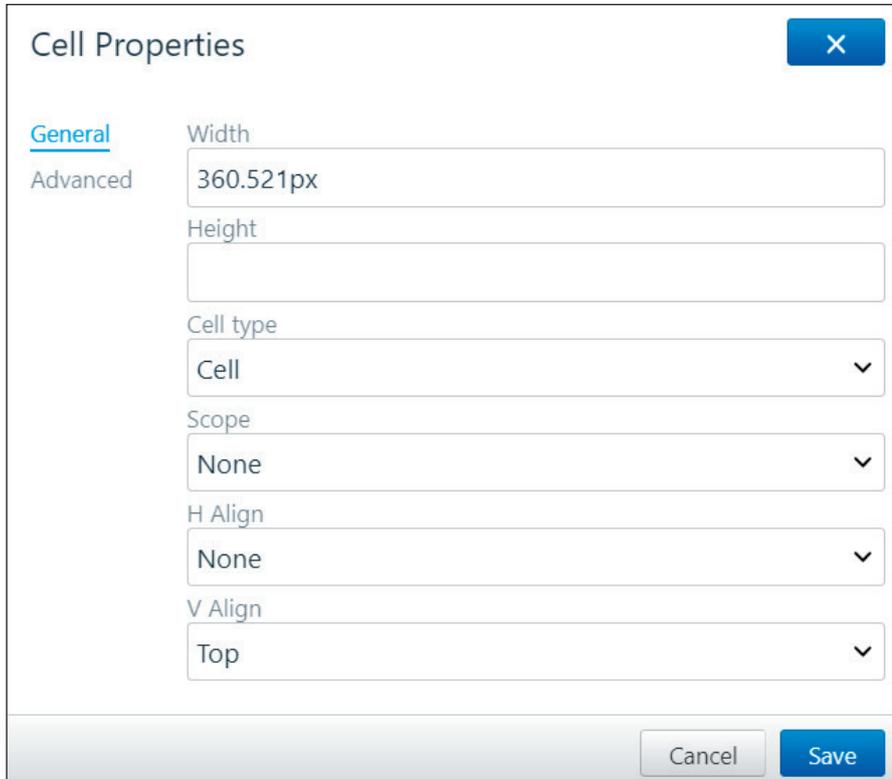
V Align

KEY

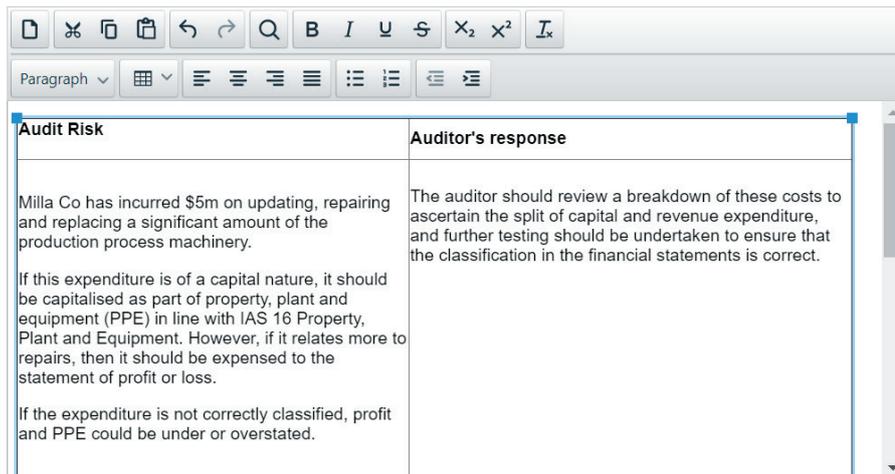
13



In order to tidy up the text set the vertical alignment of the cells so that all text starts at the top of each box in the table. From the 'V align' menu select Top as you can see from the image below:



Click ok and you will now see that the text in the table is much clearer and more consistently aligned:



Further advice

To build your confidence when using the word processing answer spaces, you should take every chance to use them as you prepare for your exams. Please use the ACCA Practice Platform, where you can access both specimens and past exams. You will also find blank workspaces available, where you can practise additional questions from any printed materials you may have. This will help you to become very familiar with the functionality illustrated in this exercise. Going into your exam with the experience of using the tools available to answer questions will build your confidence and you will be able to utilise all this functionality to produce your answers efficiently.

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Think Ahead