

University of Mississippi

eGrove

---

AICPA Professional Standards

American Institute of Certified Public Accountants (AICPA) Historical Collection

---

2001

## AICPA/CICA WebTrust program : practitioner guidance on scoping and reporting issues, January 1, 2001

American Institute of Certified Public Accountants (AICPA)

Canadian Institute of Chartered Accountants

Follow this and additional works at: [https://egrove.olemiss.edu/aicpa\\_prof](https://egrove.olemiss.edu/aicpa_prof)



Part of the [Accounting Commons](#), and the [Taxation Commons](#)

---

### Recommended Citation

American Institute of Certified Public Accountants (AICPA) and Canadian Institute of Chartered Accountants, "AICPA/CICA WebTrust program : practitioner guidance on scoping and reporting issues, January 1, 2001" (2001). *AICPA Professional Standards*. 490.

[https://egrove.olemiss.edu/aicpa\\_prof/490](https://egrove.olemiss.edu/aicpa_prof/490)

This Book is brought to you for free and open access by the American Institute of Certified Public Accountants (AICPA) Historical Collection at eGrove. It has been accepted for inclusion in AICPA Professional Standards by an authorized administrator of eGrove. For more information, please contact [egrove@olemiss.edu](mailto:egrove@olemiss.edu).



The CPA. Never Underestimate The Value.<sup>SM</sup>



Chartered  
Accountants  
of Canada

Comptables  
agr es  
du Canada

**AICPA/CICA**

**WebTrust<sup>SM/TM</sup>**  
**Program**

**PRACTITIONER GUIDANCE ON  
SCOPING AND REPORTING  
ISSUES**

**January 1, 2001**

**WEBTRUST<sup>SM</sup> PROGRAM**  
**PRACTITIONER GUIDANCE ON SCOPING AND REPORTING**  
**ISSUES**

Table of Contents

<b>INTRODUCTION .....</b>	<b>1</b>
<b>SCOPE OF ENGAGEMENT .....</b>	<b>1</b>
<b>The Principles</b>	<b>1</b>
<b>Defined Aggregate Services and Specialized WebTrust Programs</b>	<b>2</b>
<b>REFERENCE TO WEBTRUST PRINCIPLES AND CRITERIA IN THE PRACTITIONER’S REPORT .....</b>	<b>2</b>
<b>REPORTING ON MULTIPLE PRINCIPLES .....</b>	<b>3</b>
<b>Individual or Combined Report</b>	<b>3</b>
<b>Failure by Client to Meet Criteria</b>	<b>3</b>
<b>OTHER REPORTING ISSUES .....</b>	<b>5</b>
<b>Special Issues for Initial Reports</b>	<b>5</b>
<b>Considerations When Restoring a Removed WebTrust Seal</b>	<b>7</b>
<b>Modifications to Practitioner’s Point-in-Time Report When Not Reporting on Compliance</b>	<b>7</b>
<b>Different Examination Periods</b>	<b>7</b>
<b>Keeping the Seal</b>	<b>7</b>
<b>Update Examinations and Cumulative Reports</b>	<b>8</b>
<b>Special Issues for Packaged Services</b>	<b>10</b>
<b>Responsibility for Communicating Lack of Compliance in Other Principle(s)</b>	<b>10</b>

<b>ILLUSTRATIVE REPORTS .....</b>	<b>10</b>
Index of Reports	11
<b>Prepared Under AICPA Standards - Period-of-Time Report Examples.....</b>	<b>13</b>
Illustration One—Report for One Principle—Opining on Management’s Assertion	13
Illustration Two (a)—Modular Report for One Principle— Opining Directly on the Subject Matter	15
Illustration Two (b)—Report for One Principle—Opining Directly on the Subject Matter	17
Illustration Three—Report Covering More Than One Principle—Opining on Management’s Assertion	19
Illustration Four—Report Covering Special Consumer Protection WebTrust Examination—Opining on Management’s Assertion	21
Illustration Five—Report Covering Special Consumer Protection WebTrust Examination—Opining on Management’s Assertion, Using Cumulative Reporting	23
Illustration Six—Report Covering Four Principles—Opining on Management’s Assertion	25
<b>Prepared Under CICA Standards - Period-of-Time Report Examples</b>	<b>27</b>
Illustration Seven—Report for One Principle—Attest	27
Illustration Eight—Report for One Principle—Direct Report	29
Illustration Nine—Report Covering More Than One Principle—Attest	31
Illustration Ten—Report Covering Special Consumer Protection WebTrust Audit—Attest	33
Illustration Eleven—Report Covering Special Consumer Protection WebTrust Audit—Attest, Using Cumulative Reporting	35
Illustration Twelve—Report Covering Four Principles—Opining on Management’s Assertion	37
<b>Prepared Under AICPA Standards - Point-in-time Report Examples</b>	<b>39</b>
Illustration Thirteen—Report for One Principle—Opining on Management’s Assertion	39

<b>Illustration Fourteen—Report for One Principle—Opining on Management’s Assertion</b>	<b>41</b>
<b>Prepared Under CICA Standards - Point-in-Time Report Examples .....</b>	<b>43</b>
<b>Illustration Fifteen—Report for One Principle—Opining on Management’s Assertion</b>	<b>43</b>
<b>Illustration Sixteen—Report for One Principle—Opining on Management’s Assertion</b>	<b>45</b>

# WEBTRUST<sup>SM</sup> PROGRAM

## PRACTITIONER GUIDANCE ON SCOPING AND REPORTING ISSUES

### INTRODUCTION

This section deals with issues related to engagement scoping and reporting under the WebTrust Program (that is, WebTrust Version 3.0) and provides a number of reporting examples for situations that the practitioner<sup>1</sup> could likely encounter. This section does not deal with reporting issues under WebTrust for Certification Authorities. This has been separately considered and issued.<sup>2</sup>

Specifically, this section deals with—

- Scope of engagement.
- Reference to WebTrust Principles and Criteria in the practitioner's report.
- Reporting on multiple principles.
- Period of examination.
- Special issues for packaged services.
- Responsibility for communicating lack of compliance with other principles.
- Illustrative practitioner reports.

### SCOPE OF ENGAGEMENT

There are a number of types of WebTrust engagements that an entity could request that the practitioner undertake. The types of services relate to the various WebTrust principles, defined aggregate services and specialized WebTrust programs.

#### The Principles

WebTrust provides for a modular approach using seven different principles—privacy, security, availability, business practices/transaction integrity, confidentiality, non-repudiation, and customized disclosures. It is possible for the client to request a separate WebTrust examination that covers one or any combination of the principles. Obtaining an unqualified report on any principle or combination of principles, except customized disclosures alone, can enable a client to receive a WebTrust seal. In an

---

<sup>1</sup> Under the Canadian assurance standards the highest level of assurance is referred to as an audit and the professional providing the service is referred to as the auditor. Under the U.S. attestation standards, the highest level of assurance is referred to as an examination and the professional providing the service is referred to as the practitioner. In this document, the term examination refers to both audit engagements and examination engagements and practitioner refers to both practitioner and auditor.

<sup>2</sup> Audit reporting for certification authorities is dealt with in the WebTrust Program for Certification Authorities, which is available for download at [www.aicpa.org/webtrust/index.htm](http://www.aicpa.org/webtrust/index.htm).

engagement including customized disclosures, a WebTrust seal may be obtained only when combined with one or more additional principles.

### **Defined Aggregate Services and Specialized WebTrust Programs**

In addition to seals related to individual principles, some special WebTrust programs can result in special WebTrust Seals.

1. WebTrust Consumer Protection—This is a separately defined program, set out at the AICPA Web site ([www.aicpa.org/webtrust/index.htm](http://www.aicpa.org/webtrust/index.htm)) and the CICA Web site ([www.cica.ca/cica/cicawebsite.nsf/public/SPASWebTrust](http://www.cica.ca/cica/cicawebsite.nsf/public/SPASWebTrust)). In order to obtain a WebTrust Consumer Protection Seal, an entity must meet both the WebTrust privacy principle and business practices/transaction integrity principle. The Seal will display the words *Consumer Protection*.
2. WebTrust Program for Online Privacy—This is a separately defined program, set out at the AICPA Web site ([www.aicpa.org/webtrust/index.htm](http://www.aicpa.org/webtrust/index.htm)) and the CICA Web site ([www.cica.ca/cica/cicawebsite.nsf/public/SPASWebTrust](http://www.cica.ca/cica/cicawebsite.nsf/public/SPASWebTrust)). This is the first example of the modular WebTrust 3.0 service. In order to obtain a WebTrust Online Privacy Seal, an entity must meet the WebTrust privacy principle. The Seal will reflect the words *Online Privacy*.
3. WebTrust Program for Certification Authorities—This is a separately defined program set out at the AICPA Web site ([www.aicpa.org/webtrust/index.htm](http://www.aicpa.org/webtrust/index.htm)) and the CICA Web site ([www.cica.ca/cica/cicawebsite.nsf/public/SPASWebTrust](http://www.cica.ca/cica/cicawebsite.nsf/public/SPASWebTrust)). The Seal will reflect the words *Certification Authority*. In order to obtain the WebTrust Certification Authorities Seal, an entity must meet all of the WebTrust Principles and Criteria for Certification Authorities.

## **REFERENCE TO WEBTRUST PRINCIPLES AND CRITERIA IN THE PRACTITIONER'S REPORT**

It is likely that in most cases, a practitioner will be asked to report on one or more WebTrust principles and related criteria, rather than on the entire set of seven principles. There are two alternatives for referring to the WebTrust principles when the scope of an examination performed includes one or more, but not the complete set of, principles. Depending upon the alternative selected, the practitioner's introductory paragraph will differ.

Under a first alternative, the practitioner in the introductory paragraph could make reference to the principles included in the scope of examination and make a further statement disclosing that such principles are part of AICPA/CICA WebTrust Principles and Criteria [with a hot link to appropriate WebTrust principles]. This approach makes the user aware that there are additional WebTrust Principles and that the entire set of Principles was not included in the scope of the examination. Practitioners would normally prefer to state what they have in fact audited, rather

than detailing what has not been examined. As a result, this alternative may be less appealing than the one set out in the next paragraph.

Under the second alternative, the practitioner, in the introductory paragraph, makes reference to the principles included in the scope of examination but makes no further statement that the entire set of Principles was not included in the scope of the examination. However, there should be a hyperlink to the entire set of WebTrust Principles and Criteria from the Seal Validation Page, which the user sees after clicking on the Seal.

The practitioner may wish to discuss a preferred format for the report with the client before rendering the practitioner's report.

## **REPORTING ON MULTIPLE PRINCIPLES**

When the client asks the practitioner to examine and report on its conformity with two or more sets of WebTrust principles and related criteria, there are a number of issues that the practitioner should consider, which are discussed in this section.

### **Individual or Combined Report**

For the purpose of this discussion, it is assumed that the practitioner has been asked to report on the client's conformity with three sets of principles and criteria: security, privacy, and confidentiality.

The first issue is to decide whether this represents (1) one engagement to examine three principles or (2) three engagements that examine one principle each. This can affect, among other matters, the engagement letter, the content and number of representation letters and whether one audit report or multiple audit reports will be issued.

A WebTrust examination for multiple principles can be performed either as a single engagement involving those three principles or as three separate engagements involving one principle each. In either case, the practitioner's report should clearly communicate the nature of the engagement.

There can be reporting complications when a qualified report is appropriate for one or more, but not all three of, the principles. In certain instances, the practitioner may decide not to issue such a report. In order to ensure a clear understanding with the client on this matter, the engagement letter might include language indicating that "a report may or may not be issued."

### **Failure by Client to Meet Criteria**

There may be instances, in a multiple principle engagement, where the entity fails to meet, in all material respects, the relevant criteria for one of the multiple principles. If one or more criteria have not been met, the practitioner could not issue an unqualified report. Under AICPA attestation standards, when issuing a qualified or adverse report, the practitioner should report directly on the subject matter rather than on the assertion. CICA standards permit the practitioner to report on either the assertion or the subject matter in these circumstances. However, under CICA standards, a



practitioner would issue a reservation of opinion in both circumstances when one or more criteria have not been met.

In the situation where, for example, the entity did not meet the confidentiality criteria but met both the security and privacy principles, the practitioner, depending upon how the engagement was structured, has the following options available:

1. Issue one report that deals with all three principles. Because the report would be qualified, no WebTrust Seal would be issued. Since this option would most likely not accomplish the client's objective of obtaining a WebTrust Seal, the practitioner should consider the next option.
2. Issue multiple reports (for example, two reports), with segregation of the confidentiality principle into a separate report. The other two principles would have an unqualified report, thereby enabling the entity to obtain the WebTrust Seal<sup>3</sup>. The practitioner may then either issue a separate qualified report for confidentiality or withdraw from the confidentiality engagement. In either case, the practitioner may wish to issue recommendations to management on how the deficiencies can be corrected. The impact of the deficiency for confidentiality would need to be assessed to ascertain its effect, if any, on the other principles.
3. (Canada only) Issue multiple reports, with segregation of the confidentiality principle into a separate report. In this instance, management changes its assertion to state that it does not meet the confidentiality principle. As a result, it could obtain an unqualified report; however, as discussed here, the practitioner should emphasize this departure by referring to it in the paragraph containing the conclusion and by describing it in a separate paragraph following the conclusion. A WebTrust Seal<sup>3</sup> could be issued for privacy and security as the client met those principles.

This latter alternative, although permissible under current Canadian standards, would likely be very confusing to any readers. Option (2) would be the most acceptable alternative if the entity wants a report when a principle has not been met.

In the situation where the practitioner treats each principle as a separate engagement with separate engagement letters, option (2) would be the most appropriate.

---

<sup>3</sup> In determining whether a WebTrust Seal would be issued in such circumstances, the practitioner should consider the guidance under the section "Responsibility for Communicating Lack of Compliance in Other Principle(s)."

## OTHER REPORTING ISSUES

### Special Issues for Initial Reports

Typically, an initial report would need to cover a period of two months or more. However, an initial report covering a period of less than two months (including a point-in-time report) can be issued in either of the following circumstances (see also table 1)—

1. When an entity begins the WebTrust program.
2. When an entity wishes to restore the WebTrust Seal following a significant event that caused the entity to no longer comply with the criteria (that necessitated removal of the practitioner's report and the WebTrust Seal from the entity's site).

Similar to any attest engagement, before a practitioner can render an opinion, sufficient, and competent evidential matter needs to be obtained. For all criteria, there need to be sufficient client transaction volumes and other procedure and control evidence to provide the practitioner with the necessary evidential matter. Therefore, in accepting an engagement that will result in the issuance of a report on a period of less than two months (including a point-in-time report) the practitioner should consider, as it relates to management's assertion about compliance with disclosed practices and the operating effectiveness of its controls, whether there will be an appropriate testing period ("look-back period") to provide sufficient evidence to enable the practitioner to issue such a report. The period over which a practitioner should perform tests is a matter of judgment. Additionally, the "look-back period" appropriate for testing controls may be different in length than the period of time necessary to test compliance.

For example, the period of time over which the practitioner would need to perform tests of controls to determine that such controls were operating effectively will vary with the nature of the controls being tested and with the frequency with which the specific controls operate and specific policies are applied. Some controls operate continuously while others operate only at certain times.

The period of time over which the practitioner would need to perform tests to provide assurance that the entity complied with its disclosed practices will be dependent upon the nature of the practices and the frequency and sufficiency of the evidence. For example, if an entity discloses that it will comply with a certain practice at the end of each month, evidence will exist only at each month end. Accordingly the practitioner may determine that the testing period may need to cover one or month ends to obtain sufficient evidence.

If it is concluded that there will be an appropriate "look-back period" to provide sufficient evidential matter, the practitioner may undertake the engagement to issue a report covering a period of less than two months, or a point-in-time report, on the site's compliance with practices and the effectiveness of controls. If the practitioner decides to issue a point-in-time report, the report should indicate that the firm has examined management's assertion as of Yyyy yy, 2000, rather than during a period.

In some circumstances, the practitioner may conclude that the available “look-back” period is sufficient to obtain evidence regarding the effectiveness of controls, but not sufficient to obtain sufficient competent evidential matter regarding the entity’s compliance with its disclosed practices. In such circumstances (and only in these circumstances), a practitioner may accept an engagement to issue an audit report that does not address the entity’s compliance with its disclosed privacy practices. In this situation, the practitioner should modify the introductory and scope paragraphs of his or her report, so as not to indicate that the report is extending to compliance with disclosures. All subsequent reports should address disclosures, compliance with disclosures, and effectiveness of controls. (Please see the section “Modifications to Practitioner’s Point-in-Time Report When Not Reporting on Compliance” for further guidance and an illustration of modification to the wording in such a report, as well as the illustrative reports provided later in this document.)

The WebTrust practitioner should, in addition to considering the guidance herein, consider the relevant attest standards with respect to the wording of such a report, to assure that he or she is complying with such attest standards.

The length of the relevant initial period should be determined by the practitioner’s professional judgement based on factors such as those set out in table 1.

**Table 1**

<i>Considerations for Use of a Shorter Initial Period</i>	<i>Considerations for Use of a Longer Initial Period</i>
<ul style="list-style-type: none"> <li>• Clients for whom control examinations have already been performed</li> <li>• Established site, with little transaction volatility</li> <li>• Operations that experience infrequent changes to disclosures, policies, and related controls</li> <li>• Start-up operation with significant transaction volumes and operating conditions (typical of expected normal operations) during the practitioner’s pre-implementation testing period and a transition to a live operational site that expects infrequent changes in policies and controls once it is operational</li> </ul>	<ul style="list-style-type: none"> <li>• Start-up operation that has not generated, during preimplementation stages, sufficient transaction volume and conditions typical of expected normal operations</li> <li>• Operations that experience volatile transaction volumes</li> <li>• Complex operations</li> <li>• Operations that experience frequent changes to disclosures, policies, and related controls or significant instances that lack compliance with disclosures, policies and related controls</li> </ul>

Once the WebTrust Seal is obtained, , the entity will be able to continue displaying it on its Web site for a period determined by the practitioner (that does not exceed six months), provided that the entity performs the procedures set out in the section “Keeping the Seal.”

## **Considerations When Restoring a Removed WebTrust Seal**

The following guidance applies when an entity wishes to restore the WebTrust Seal following a significant event that caused the entity to no longer comply with the criteria (that necessitated removal of the practitioner's report and the WebTrust Seal from the entity's site). It is important that management consider disclosing to its users the nature of the significant event that created the "out of compliance" situation and the steps taken to remedy the situation. The entity should consider disclosing the event on its Web site or as part of its management assertion. Likewise, before issuing a new report, the practitioner should consider the significance of the event, the related corrective actions, and whether appropriate disclosure has been made. The practitioner also should consider whether this matter should be (1) disclosed as part of management's assertion, (2) emphasized in a separate explanatory paragraph in the practitioner's report, or (3) both.

## **Modifications to Practitioner's Point-in-Time Report When Not Reporting on Compliance**

As previously discussed, in a situation in which a practitioner concludes that the available "look-back" period for an initial report is sufficient to obtain evidence regarding the effectiveness of controls over compliance, but not sufficient to obtain sufficient competent evidential matter regarding the entity's compliance with its disclosed practices, the practitioner may accept an engagement to issue an initial audit report that does not address the entity's compliance with its disclosed privacy practices. In this situation, the practitioner should modify the introductory and scope paragraphs so as not to indicate that his or her report is extending to compliance with practices, but rather that he or she has examined management's assertion that the company has maintained effective controls to provide reasonable assurance that it complied with its disclosed practices. Please see the sections titled, "Point in Time Report Examples" within the "Illustrative Practitioner Reports" for illustrative wording.

## **Different Examination Periods**

There may be situations where the entity requests that more than one principle be examined, but due to various reasons the principles will have different reporting periods (either the length of the reporting period, the date that the various reporting periods begin, or both). Ideally, it would be more efficient for the practitioner to have such periods coincide. When different reporting periods exist, the practitioner should consider whether to issue separate or combined reports. Separate reports covering the separate principles are less complex to prepare than a combined report. If a combined report is issued, the different reporting periods would need to be detailed in the introductory and opinion paragraphs of the report to ensure that the different examination periods are highlighted.

## **Keeping the Seal**

Once the Seal is obtained, the entity will be able to continue displaying it on its Web site provided the following are performed:

1. The practitioner updates his or her examination and report on a regular basis. The entity must continue to obtain an unqualified report from such practitioner. The interval between such updates will depend on matters such as the following:
  - The nature and complexity of the entity’s operation
  - The frequency of significant changes to its disclosures, policies, and related controls
  - The relative effectiveness of the entity’s monitoring and change management controls for ensuring continued conformity with the applicable WebTrust Criteria as such changes are made
  - The practitioner’s professional judgment

For example, an update might be required more frequently for a financial institution’s fast-changing Web site for securities transactions than for an on-line service that sells archival information using a Web site that rarely changes. *In no event should the interval between updates exceed six months, and this interval often may be considerably shorter.*

2. During the period between updates, the entity should undertake to inform the practitioner of any significant changes to its policies, practices, processes, and controls, particularly if such changes might affect the entity’s ability to continue meeting the relevant WebTrust principle(s) and the corresponding criteria, or the manner in which they are met. Such changes may trigger the need for an update examination or, in some cases, removal of the Seal until an update examination by the practitioner can be made. If the practitioner becomes aware of such a change in circumstances, he or she should determine whether an update examination should be performed and whether the Seal should be removed until the update examination is completed and the practitioner’s updated and unqualified report is issued.

In the situation where the entity has had multiple principles examined and received an unqualified report (and a WebTrust Seal), but subsequently failed to continue meeting the criteria for one or more principles, it can continue to display the Seal as long as it continues to meet at least one of the principles (except for customized disclosure), subject to items 1 and 2 above. In determining whether a WebTrust Seal would be continued to be displayed in such circumstances, the practitioner should consider the guidance under the section “Responsibility for Communicating Lack of Compliance in Other Principle(s).” If such seal was for a special WebTrust program (for example, Consumer Protection), the entity would need to continue to meeting all of the required principles for such program to continue to display the seal.

### **Update Examinations and Cumulative Reports**

To provide continuous coverage and retain the Seal, the period covered for update reports should either begin with the end of the prior period or the start of the period in the initial report, depending on whether both of the following are true:

- A cumulative report can be issued for the principles.
- A cumulative report is desired.

### *Cumulative Not Available*

With the transition to the WebTrust Program (Version 3.0), cumulative reporting will not be available for the initial audit reports issued for the WebTrust Privacy Program, and any modular principle examination, because one of the following is true:

- They did not exist in WebTrust Version 2.0; or
- They were not sufficiently assessed in WebTrust 2.0 examinations to allow cumulative reporting on separate principles.

As a result, in this situation, the period of coverage should start with the initial examination under the WebTrust 3.0 Program. In subsequent update examinations, however, cumulative reporting would be an available alternative if desired.

When cumulative reporting is used, there are special issues that should be considered:

1. The relevance of the cumulative reporting period—although some practitioners and entities view more favorably a report that covers a significant cumulative period (for example, three years), the relevance of that long a period may be questioned by others, given the significant pace of change in electronic commerce and the significant evolution of WebTrust from its initial product. Therefore, practitioners should consider whether the cumulative period is appropriate.
2. Where two principles are being reported upon in one Practitioner’s report, the shortest period should be the one used for reporting. For example, if the practitioner’s examination covered the security principle for eighteen months, but covered the privacy principle for only twelve months, the shorter period (twelve months) should be the reporting period for the practitioner’s cumulative report covering the two principles.
3. In the future, if the version of the WebTrust Principles and Criteria again changes, it will be important for the practitioner’s report to communicate that prior examinations were not made under the same version as the current WebTrust Principles and Criteria. For reports issued under AICPA standards, the opinion paragraph should be amended to state “based on the AICPA/CICA WebTrust Privacy Criteria *during such period*” (emphasis added). For reports issued under CICA standards, an additional paragraph is recommended (following the opinion paragraph) as follows:

*This report is cumulative in nature, covering x years and y months and representing the results of audit procedures performed at various times, as required by the WebTrust program, to enable a continuous report to be provided. During the period covered by this report, the WebTrust Principles and Criteria were revised and updated from time to time. Management’s disclosures, practices, compliance, and effectiveness of controls were examined in relation to the versions of the WebTrust Principles and Criteria during such period of performing the audit procedures.*

Such language also might be considered for reports issued under AICPA Standards.

## **Special Issues for Packaged Services**

In order for a special WebTrust Seal to be issued for a WebTrust Program for Consumer Protection, the engagement needs to be structured as a single engagement involving multiple principles that need to all be met. There may be situations where the entity fails to meet one or more of the principles. In that situation, the special WebTrust Seal cannot be issued. A regular WebTrust Seal (issued for individual principles) can be issued, however, if the engagement is properly restructured and the criteria for at least one principle are met.

## **Responsibility for Communicating Lack of Compliance in Other Principle(s)**

The WebTrust Seal implies that the entity is a reputable site that has reasonable disclosures and controls in a broad range of areas. Accordingly, a practitioner should avoid accepting a WebTrust engagement when an entity's disclosures outside the scope of the engagement are known by the practitioner to be misleading, where there are known material deficiencies with controls or systems not directly affecting the principle (under examination), or where the entity is a known violator of laws or regulations.

During an examination of a client's conformity with a WebTrust principle, information about control or system deficiencies related to principles and criteria not within the defined scope of the engagement may come to the practitioner's attention. For example, while engaged to only report on controls related to the security principle, a practitioner may become aware that the entity is not meeting its privacy policy as stated on its Web site (for example, it is disclosing personal information to selected third parties). Although the practitioner is not responsible for detecting such information outside the scope of his or her examination, the practitioner should consider such information when it comes to his or her attention and evaluate whether the identified deficiencies are significant (that is, such deficiencies could materially mislead users of the system).

If the practitioner determines that such deficiencies are significant, they should be communicated in writing to management. Management should be asked to either correct the deficiency (in this case, cease providing the information to third parties) or to properly disclose their actual practices publicly so that users are aware of actual policies (in this case, the privacy statement would be amended to reflect the fact that they do provide information to third parties).

If the practitioner concludes that omission of this information would be significant and if management is unwilling to either correct the deficiency or to disclose the information, the practitioner should consider withdrawing from the engagement.

## **ILLUSTRATIVE REPORTS**

This section presents various illustrative reports for WebTrust Program engagements. The first group illustrates reports issued for a period of time prepared in accordance with the AICPA's

attestation standards. The second group of reports mirrors the same circumstances as the first, but are prepared in accordance with the CICA's assurance standards. The third and fourth group present illustrative reports to be used when issuing a report for a point-in-time, in accordance with both the AICPA and CICA standards.

Under the U.S. Statements on Standards for Attestation Engagements, the first paragraph of the practitioner's report will state that the practitioner has performed an examination of management's assertion about compliance with the WebTrust criteria.<sup>4</sup> The practitioner may opine (1) on management's assertion or (2) directly on the subject matter. Both alternatives are covered in the illustrative reports.

Both attest and direct reporting engagements are supported in Canada. The practitioner's communication will vary depending on whether the assurance engagement is an attest engagement or a direct reporting engagement. In an attest engagement, the practitioner's conclusion will be on a written assertion prepared by the responsible party. The assertion evaluates, using suitable criteria, the subject matter for which the responsible party is accountable. In a direct reporting engagement, the practitioner's conclusion will evaluate directly, using suitable criteria, the subject matter for which the responsible party is accountable.

The reports presented in this section are for illustrative purposes and should be modified in accordance with the applicable professional standards as the specific engagement facts and circumstances warrant.

## **Index of Reports**

### ***Prepared Under AICPA Standards—Period-of-Time Report Examples***

Illustration One—Report for One Principle—Opining on Management's Assertion

Illustration Two (a)—Report for One Principle—Opining Directly on the Subject Matter

Illustration Two (b)—Report for One Principle—Opining Directly on the Subject Matter [This report will be enabled by SSAE No. 10, which is expected to be issued in January 2001 (see footnote to the report).]

Illustration Three—Report Covering More Than One Principle—Opining on Management's Assertion

Illustration Four—Report Covering Special WebTrust Consumer Protection Examination—Opining on Management's Assertion

Illustration Five—Report Covering Special WebTrust Consumer Protection Examination—Opining on Management's Assertion, Using Cumulative Reporting

Illustration Six—Report Covering Four Principles—Opining on Management's Assertion

---

<sup>4</sup> SSAE No. 10, expected to be issued in January of 2001, will permit the practitioner to state in the introductory paragraph that he or she examined the subject matter as an alternative to stating that the practitioner examined management's assertion



***Prepared Under CICA Standards—Period-of-Time Report Examples***

Illustration Seven—Report for One Principle—Attest

Illustration Eight—Report for One Principle—Direct Reporting

Illustration Nine—Report Covering More Than One Modular Principle—Attest

Illustration Ten—Report Covering Special WebTrust Consumer Protection Audit—Attest

Illustration Eleven—Report Covering Special WebTrust Consumer Protection Audit—Attest,  
Using Cumulative Reporting

Illustration Twelve—Report Covering Four Principles—Opining on Management’s Assertion

***Prepared Under AICPA Standards—Point-in-Time Report Examples***

Illustration Thirteen—Report for One Principle—Opining on Management’s Assertion, when the practitioner has concluded that there is an appropriate “look-back period” to issue a report on the site’s compliance with practices and the effectiveness of controls

Illustration Fourteen—Report for One Principle—Opining on Management’s Assertion, when the available “look-back” period for an initial report is sufficient to obtain evidence regarding the effectiveness of controls over compliance, but not sufficient to obtain sufficient competent evidential matter regarding the entity’s compliance with its disclosed privacy practices

***Prepared Under CICA Standards—Point-in-Time Report Examples***

Illustration Fifteen—Report for One Principle—Opining on Management’s Assertion, when the practitioner has concluded that there is an appropriate “look-back period” to issue a report on the site’s compliance with practices and the effectiveness of controls

Illustration Sixteen—Report for One Principle—Opining on Management’s Assertion, when the available “look-back” period for an initial report is sufficient to obtain evidence regarding the effectiveness of controls over compliance, but not sufficient to obtain sufficient competent evidential matter regarding the entity’s compliance with its disclosed privacy practices

## Prepared Under AICPA Standards - Period-of-Time Report Examples

### Illustration One—Report for One Principle—Opining on Management’s Assertion

#### Independent Auditor's Report

To the Management of ABC Company, Inc.:

We have examined management’s assertion [[hot link to management's assertion](#)] that ABC Company, Inc. (ABC Company), during the period Xxxx xx, 2000 through Yyyy yy, 2000 —

- Disclosed its key security practices for electronic commerce,
- Complied with such security practices, and
- Maintained effective controls to provide reasonable assurance that access to the electronic commerce system and data was restricted only to authorized individuals in conformity with its disclosed security practices

based on the AICPA/CICA WebTrust Security Criteria [[hot link to security principle and criteria](#)]. These practices, disclosures, compliance, and controls are the responsibility of ABC Company’s management. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included (1) obtaining an understanding of ABC Company’s disclosed security practices and the related controls over security, (2) testing compliance with its disclosed security practices, (3) testing and evaluating the operating effectiveness of the controls, and (4) performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, ABC Company management’s assertion referred to above is fairly stated, in all material respects, based on the AICPA/CICA WebTrust Security Criteria.

Because of inherent limitations in controls, error or fraud may occur and not be detected. Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that the validity of such conclusions may be altered because of (1) changes made to the system or controls, (2) changes in processing requirements, (3) changes required because of the passage of time, or (4) a deterioration in the degree of compliance with the policies or procedures.

The WebTrust Seal of assurance on ABC Company's Web site constitutes a symbolic representation of the contents of this report and it is not intended, nor should it be construed, to update this report or provide any additional assurance.

*[Name of CPA firm]*

Certified Public Accountants

*[City, State]*

*[Date]*

For reports covering the Business Practices/Transaction Integrity Principle, the practitioner should add the following as a final paragraph: "This report does not include any representation as to the quality of ABC Company's goods [information or services] nor their suitability for any customer's intended purpose." The practitioner may also include such paragraph in his or her report in other circumstances.

## **Illustration Two (a)—Modular Report for One Principle— Opining Directly on the Subject Matter**

### **Independent Auditor's Report**

To the Management of ABC Company, Inc.:

We have examined management's assertion [hot link to management's assertion] that ABC Company, Inc. (ABC Company) during the period XXX 2000 through YYY 2000 —

- Disclosed its key security practices for electronic commerce,
- Complied with such security practices, and
- Maintained effective controls to provide reasonable assurance that access to the electronic commerce system and data was restricted only to authorized individuals in conformity with its disclosed security practices

based on the AICPA/CICA WebTrust Security Criteria [hot link to security principle & criteria]. These practices, disclosures, compliance, and controls are the responsibility of ABC Company's management. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included (1) obtaining an understanding of ABC Company's disclosed security practices and the related controls over security, (2) testing compliance with its disclosed security practices, (3) testing and evaluating the operating effectiveness of the controls, and (4) performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, ABC Company, in all material respects —

- Disclosed its key security practices for electronic commerce,
- Complied with such security practices, and
- Maintained effective controls to provide reasonable assurance that access to the electronic commerce system and data was restricted only to authorized individuals

in conformity with its disclosed security practices during the period Xxxx xx, 2000 through Yyyy yy, 2000, based on the AICPA/CICA WebTrust Security Criteria.

Because of inherent limitations in controls, error or fraud may occur and not be detected. Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that the validity of such conclusions may be altered because of (1) changes made to the system or controls, (2) changes in processing requirements, (3) changes required because of the passage of time, or (4) a deterioration in the degree of compliance with the policies or procedures.

The WebTrust Seal of assurance on ABC Company's Web site constitutes a symbolic representation of the contents of this report and it is not intended, nor should it be construed, to update this report or provide any additional assurance.

*[Name of CPA firm]*

Certified Public Accountants

*[City, State]*

*[Date]*

For reports covering the Business Practices/Transaction Integrity Principle, the practitioner should add the following as a final paragraph: "This report does not include any representation as to the quality of ABC Company's goods [information or services] nor their suitability for any customer's intended purpose." The practitioner may also include such paragraph in his or her report in other circumstances.

## Illustration Two (b)—Report for One Principle—Opining Directly on the Subject Matter

[NOTE TO PRACTITIONERS – A PRACTITIONER MAY NOT USE THIS FORM OF REPORT UNTIL STATEMENT ON STANDARDS FOR ATTESTATION ENGAGEMENTS (SSAE) NO. 10 *ATTESTATION STANDARDS: REVISION AND RECODIFICATION* IS ISSUED. SSAE No 10 is expected to be issued in January 2001. SSAE No. 10 will permit the practitioner to state in the introductory paragraph that he or she examined the subject matter as an alternative to stating that the practitioner examined management's assertion. Once issued, the practitioner should check SSAE 10 to see if the illustrative wording noted in this guidance needs to be modified to comply with the final standard as issued.]

### Independent Auditor's Report

To the Management of ABC Company, Inc.:

We have examined ABC Company, Inc.'s (ABC Company) disclosure of its key security practices for electronic commerce, compliance with these security practices, and the effectiveness of its controls over security for electronic commerce during the period Xxxx xx, 2000 through Yyyy yy, 2000, based on the AICPA/CICA WebTrust Security Criteria [hot link to security principle & criteria]. These practices, disclosures, compliance and controls are the responsibility of ABC Company's management. Our responsibility is to express an opinion based on our examination

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included (1) obtaining an understanding of ABC Company's disclosed security practices and the related controls over security, (2) testing compliance with its disclosed security practices, (3) testing and evaluating the operating effectiveness of the controls, and (4) performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, ABC Company, in all material respects —

- Disclosed its key security practices for electronic commerce,
- Complied with such security practices, and
- Maintained effective controls to provide reasonable assurance that access to the electronic commerce system and data was restricted only to authorized individuals in conformity with its disclosed security practices

during the period Xxxx xx, 2000 through Yyyy yy, 2000 based on the AICPA/CICA WebTrust Security Criteria.

Because of inherent limitations in controls, error or fraud may occur and not be detected. Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that the validity of such conclusions may be altered because of (1) changes made to the system or controls, (2) changes in processing requirements, (3) changes required because of the passage of time, or (4) a deterioration in the degree of compliance with the policies or procedures.

The WebTrust Seal of assurance on ABC Company's Web site constitutes a symbolic representation of the contents of this report and it is not intended, nor should it be construed, to update this report or provide any additional assurance.

*[Name of CPA firm]*

Certified Public Accountants

*[City, State]*

*[Date]*

For reports covering the Business Practices/Transaction Integrity Principle the practitioner should add the following as a final paragraph: "This report does not include any representation as to the quality of ABC Company's goods [information or services] nor their suitability for any customer's intended purpose." The practitioner may also include such paragraph in his or her report in other circumstances.

## Illustration Three—Report Covering More Than One Principle—Opining on Management’s Assertion

### Independent Auditor's Report

To the Management of ABC Company, Inc.:

We have examined management's assertion [[hotlink to management's assertion](#)] that ABC Company, Inc. (ABC Company), during the period Xxxx xx, 2000 through Yyyy yy, 2000 —

- Disclosed its key security and privacy practices for electronic commerce transactions,
- Complied with such security and privacy practices, and
- Maintained effective controls to provide reasonable assurance that —
  - Access to the electronic commerce system and data was restricted only to authorized individuals in conformity with its disclosed security practices, and
  - Personally identifiable information obtained as a result of electronic commerce was protected in conformity with its disclosed privacy practices

based on the AICPA/CICA WebTrust Security Criteria [[hot link to security principle and criteria](#)] and the WebTrust Privacy Criteria [[hot link to privacy principle and criteria](#)]. These practices, disclosures, compliance, and controls are the responsibility of ABC Company’s management. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included (1) obtaining an understanding of ABC Company’s disclosed security and privacy practices for electronic commerce transactions and the related controls over security and privacy, (2) testing compliance with its disclosed security and privacy practices, (3) testing and evaluating the operating effectiveness of the controls, and (4) performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, ABC Company management’s assertion referred to above is fairly stated, in all material respects, based on the AICPA/CICA WebTrust Security and Privacy Criteria.

Because of inherent limitations in controls, error or fraud may occur and not be detected. Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that the validity of such conclusions may be altered because of (1) changes made to the system or controls, (2) changes in processing requirements, (3) changes required because of the passage of time, or (4) a deterioration in the degree of compliance with the policies or procedures.



The WebTrust Seal of assurance on ABC Company's Web site constitutes a symbolic representation of the contents of this report and it is not intended, nor should it be construed, to update this report or provide any additional assurance.

*[Name of CPA firm]*

Certified Public Accountants

*[City, State]*

*[Date]*

## **Illustration Four—Report Covering Special Consumer Protection WebTrust Examination—Opining on Management’s Assertion**

### **Independent Auditor's Report**

To the Management of ABC Company, Inc.:

We have examined management's assertion [[hot link to management's assertion](#)] that ABC Company, Inc. (ABC Company), during the period Xxxx xx, 2000 through Yyyy yy, 2000 —

- Disclosed its business and privacy practices for electronic commerce,
- Complied with such business and privacy practices, and
- Maintained effective controls to provide reasonable assurance that —
  - Electronic commerce transactions are processed completely, accurately, and in conformity with its disclosed business practices, and
  - Personally identifiable information obtained as a result of electronic commerce was protected in conformity with its disclosed privacy practices

based on the AICPA/CICA WebTrust Business Practices/Transaction Integrity Criteria [[hot link to business practices/transaction integrity principle and criteria](#)] and the WebTrust Privacy Criteria [[hot link to privacy principle and criteria](#)]. These practices, disclosures, compliance, and controls are the responsibility of ABC Company’s management. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included (1) obtaining an understanding of ABC Company’s disclosed business and privacy practices for electronic commerce transactions and the related controls over privacy and the processing of such transactions, (2) testing compliance with its disclosed business and privacy practices, (3) testing and evaluating the operating effectiveness of the controls, and (4) performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, ABC Company management’s assertion referred to above is fairly stated, in all material respects, based on the AICPA/CICA WebTrust Business Practices/Transaction Integrity and Privacy Criteria.

Because of inherent limitations in controls, error or fraud may occur and not be detected. Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that the validity of such conclusions may be altered because of (1) changes made to the system or controls, (2) changes in processing requirements, (3) changes required because of the passage of time, or (4) a deterioration in the degree of compliance with the policies or procedures.

The WebTrust Seal for Consumer Protection on ABC Company's Web site constitutes a symbolic representation of the contents of this report and it is not intended, nor should it be construed, to update this report or provide any additional assurance.

This report does not include any representation as to the quality of ABC Company's goods [information or services] nor their suitability for any customer's intended purpose.

*[Name of CPA firm]*

Certified Public Accountants

*[City, State]*

*[Date]*

## **Illustration Five—Report Covering Special Consumer Protection WebTrust Examination—Opining on Management’s Assertion, Using Cumulative Reporting**

### **Independent Auditor's Report**

To the Management of ABC Company, Inc.:

We have examined management's assertion [[hot link to management's assertion](#)] that ABC Company, Inc. (ABC Company), during the period Xxxx xx, 2000 through Yyyy yy, 2001 —

- Disclosed its business and privacy practices for electronic commerce,
- Complied with such business and privacy practices, and
- Maintained effective controls to provide reasonable assurance that —
  - Electronic commerce transactions are processed completely, accurately, and in conformity with its disclosed business practices, and
  - Personally identifiable information obtained as a result of electronic commerce was protected in conformity with its disclosed privacy practices

based on the AICPA/CICA WebTrust Business Practices/Transaction Integrity Criteria [[hot link to business practices/transaction integrity principle and criteria](#)] and the WebTrust Privacy Criteria [[hot link to privacy principle and criteria](#)]. These practices, disclosures, compliance, and controls are the responsibility of ABC Company’s management. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included (1) obtaining an understanding of ABC Company’s disclosed business and privacy practices for electronic commerce transactions and the related controls over privacy and the processing of such transactions, (2) testing compliance with its disclosed business and privacy practices, (3) testing and evaluating the operating effectiveness of the controls, and (4) performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, ABC Company management’s assertion referred to above is fairly stated, in all material respects, based on the AICPA/CICA WebTrust Business Practices/Transaction Integrity and Privacy Criteria during such period.

Because of inherent limitations in controls, error or fraud may occur and not be detected. Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that the validity of such conclusions may be altered because of (1) changes made to the system or controls, (2) changes in processing requirements, (3) changes required because of the passage of time, or (4) a deterioration in the degree of compliance with the policies or procedures.

The WebTrust Seal for Consumer Protection on ABC Company's Web site constitutes a symbolic representation of the contents of this report and it is not intended, nor should it be construed, to update this report or provide any additional assurance.

This report does not include any representation as to the quality of ABC Company's goods [information or services] nor their suitability for any customer's intended purpose.

*[Name of CPA firm]*

Certified Public Accountants

*[City, State]*

*[Date]*

## Illustration Six—Report Covering Four Principles—Opining on Management’s Assertion

### Independent Auditor's Report

To the Management of ABC Company, Inc.:

We have examined management's assertion [hotlink to management's assertion] that ABC Company, Inc. (ABC Company) during the period Xxxx xx, 2000 through Yyyy yy, 2000 —

- Disclosed its business, key security, privacy, and availability practices, for electronic commerce transactions,
- Complied with such business, security, privacy and availability practices, and
- Maintained effective controls to provide reasonable assurance that —
  - Electronic commerce transactions are processed completely, accurately, and in conformity with its disclosed business practices,
  - Access to the electronic commerce system and data was restricted only to authorized individuals in conformity with its disclosed security practices,
  - Personally identifiable information obtained as a result of electronic commerce was protected in conformity with its disclosed privacy practices, and
  - Electronic commerce systems and data are available in conformity with its disclosed availability practices

based on the AICPA/CICA WebTrust Business Practices/Transaction Integrity Criteria [hot link to business practices/transaction integrity principle and criteria], the WebTrust Security Criteria [hot link to security principle and criteria], the WebTrust Privacy Criteria [hot link to privacy principle and criteria], and the WebTrust Availability Criteria [hot link to availability principle and criteria]. These practices, disclosures, compliance and controls are the responsibility of ABC Company’s management. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included (1) obtaining an understanding of ABC Company’s disclosed business, security, privacy, and availability practices for electronic commerce transactions and the related controls over security, privacy, availability, and the processing of such transactions (2) testing compliance with its disclosed business, security, privacy practices, and availability practices (3) testing and evaluating the operating effectiveness of the controls, and (4) performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, ABC Company management’s assertion referred to above is fairly stated, in all material respects, based on the AICPA/CICA WebTrust Business Practices/Transaction Integrity, Security, Privacy, and Availability Criteria.

Because of inherent limitations in controls, error or fraud may occur and not be detected. Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that the validity of such conclusions may be altered because of (1) changes made to the system or controls, (2)

changes in processing requirements, (3) changes required because of the passage of time, or (4) a deterioration in the degree of compliance with the policies or procedures.

The WebTrust Seal of assurance on ABC Company's Web site constitutes a symbolic representation of the contents of this report and it is not intended, nor should it be construed, to update this report or provide any additional assurance.

This report does not include any representation as to the quality of ABC Company's goods [information or services] nor their suitability for any customer's intended purpose.

*[Name of CPA firm]*

Certified Public Accountants

*[City, State]*

*[Date]*

**Prepared Under CICA Standards - Period-of-Time Report Examples**  
**Illustration Seven—Report for One Principle—Attest**

**Auditor's Report**

To the Management of ABC Company, Inc.:

We have audited management's assertion [hot link to management's assertion] that ABC Company, Inc. (ABC Company) during the period Xxxx xx, 2000 through Yyyy yy, 2000 —

- Disclosed its key security practices for electronic commerce,
- Complied with such security practices, and
- Maintained effective controls to provide reasonable assurance that access to the electronic commerce system and data was restricted only to authorized individuals in conformity with its disclosed security practices

in accordance with the CICA/AICPA WebTrust Security Criteria [hot link to security principle & criteria]. These practices, disclosures, compliance and controls are the responsibility of ABC Company's management. Our responsibility is to express an opinion based on our audit.

Our audit was conducted in accordance with standards for assurance engagements established by the Canadian Institute of Chartered Accountants (CICA). Those standards require that we plan and perform our audit to obtain reasonable assurance as a basis for our opinion. Our audit included (1) obtaining an understanding of ABC Company's disclosed security practices and the related controls over security, (2) testing compliance with its disclosed security practices, (3) testing and evaluating the operating effectiveness of the controls, and (4) performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, ABC Company management's assertion referred to above is fairly stated in all material respects in accordance with the CICA/AICPA WebTrust Security Criteria.

Because of inherent limitations in controls, error or fraud may occur and not be detected. Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that the validity of such conclusions may be altered because of (1) changes made to the system or controls, (2) changes in processing requirements, (3) changes required because of the passage of time, or (4) a deterioration in the degree of compliance with the policies or procedures.

The WebTrust Seal of assurance on ABC Company's Web site constitutes a symbolic representation of the contents of this report and it is not intended, nor should it be construed, to update this report or provide any additional assurance.

[Name of CA firm]

[City, Province]

Chartered Accountants

[Date of report]



For reports covering the Business Practices/Transaction Integrity Principle, the practitioner should add the following as a final paragraph: “This report does not include any representation as to the quality of ABC Company’s goods [information or services] nor their suitability for any customer’s intended purpose.” The practitioner may also include such paragraph in his or her report in other circumstances.

## Illustration Eight—Report for One Principle—Direct Report

### Auditor's Report

To the Management of ABC Company, Inc.:

We have audited ABC Company, Inc.'s (ABC Company) disclosure of its key security practices for electronic commerce, compliance with such security practices, and the effectiveness of its controls over security for electronic commerce during the period Xxxx xx, 2000 through Yyyy yy, 2000. These practices, disclosures, compliance and controls are the responsibility of ABC Company's management. Our responsibility is to express an opinion on the conformity of the company's practices, disclosures, compliance and controls with the CICA/AICPA WebTrust Security Criteria [[hot link to security principle and criteria](#)] based on our audit.

Our audit was conducted in accordance with standards for assurance engagements established by the Canadian Institute of Chartered Accountants (CICA). Those standards require that we plan and perform our audit to obtain reasonable assurance as a basis for our opinion. Our audit included (1) obtaining an understanding of ABC Company's disclosed key security practices and the related controls over security, (2) testing compliance with its disclosed security practices, (3) testing and evaluating the operating effectiveness of the controls, and (4) performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, ABC Company, in all material respects —

- Disclosed its key security practices for electronic commerce,
- Complied with such security practices, and
- Maintained effective controls to provide reasonable assurance that access to the electronic commerce system and data was restricted only to authorized individuals

in conformity with its disclosed security practices during the period Xxxx xx, 2000 through Yyyy yy, 2000, in accordance with the CICA/AICPA WebTrust Security Criteria.

Because of inherent limitations in controls, errors or fraud may occur and not be detected. Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that (1) changes made to the system or controls, (2) changes in processing requirements, (3) changes required because of the passage of time, or (4) the degree of compliance with the policies or procedures may alter the validity of such conclusions.

The WebTrust Seal of assurance on ABC Company's Web site constitutes a symbolic representation of the contents of this report and it is not intended, nor should it be construed, to update this report or provide any additional assurance.

*[Name of CA firm]*

Chartered Accountants

*[City, Province]*

*[Date of report]*

For reports covering the Business Practices/Transaction Integrity Principle, the practitioner should add the following as a final paragraph: “This report does not include any representation as to the quality of ABC Company’s goods [information or services] nor their suitability for any customer’s intended purpose.” The practitioner may also include such paragraph in his or her report in other circumstances.

## Illustration Nine—Report Covering More Than One Principle—Attest

### Auditor's Report

To the Management of ABC Company, Inc.:

We have audited management's assertion [hot link to management's assertion] that ABC Company, Inc. (ABC Company), during the period Xxxx xx, 2000 through Yyyy yy, 2000 —

- Disclosed its key security practices and privacy practices for electronic commerce,
- Complied with such security practices and privacy practices, and
- Maintained effective controls to provide reasonable assurance that —
  - Access to the electronic commerce system and data was restricted only to authorized individuals in conformity with its disclosed security practices, and
  - Personally identifiable information obtained as a result of electronic commerce was protected in conformity with its disclosed privacy practices

in accordance with the CICA/AICPA WebTrust Security Criteria [hot link to security principle and criteria] and the WebTrust Privacy Criteria [hot link to privacy principle and criteria]. These practices, disclosures, compliance and controls are the responsibility of ABC Company's management. Our responsibility is to express an opinion based on our audit.

Our audit was conducted in accordance with standards for assurance engagements established by the Canadian Institute of Chartered Accountants (CICA). Those standards require that we plan and perform our audit to obtain reasonable assurance as a basis for our opinion. Our audit included (1) obtaining an understanding of ABC Company's disclosed security and privacy practices for electronic commerce transactions and the related controls over security and privacy, (2) testing compliance with its disclosed security and privacy practices, (3) testing and evaluating the operating effectiveness of the controls, and (4) performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, ABC Company management's assertion referred to above is fairly stated in all material respects in accordance with the CICA/AICPA WebTrust Security and Privacy Criteria.

Because of inherent limitations in controls, error or fraud may occur and not be detected. Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that the validity of such conclusions may be altered because of (1) changes made to the system or controls, (2) changes in processing requirements, (3) changes required because of the passage of time, or (4) a deterioration in the degree of compliance with the policies or procedures.

The WebTrust Seal of assurance on ABC Company's Web site constitutes a symbolic representation of the contents of this report and it is not intended, nor should it be construed, to update this report or provide any additional assurance.

*[Name of CA firm]*

*[City, Province]*

Chartered Accountants

*[Date of report]*

## Illustration Ten—Report Covering Special Consumer Protection WebTrust Audit—Attest

### Auditor's Report

To the Management of ABC Company, Inc.:

We have audited management's assertion [[hot link to management's assertion](#)] that ABC Company, Inc. (ABC Company) during the period Xxxx xx, 2000 through Yyyy yy, 2000 —

- Disclosed its business and privacy practices for electronic commerce,
- Complied with such business and privacy practices, and
- Maintained effective controls to provide reasonable assurance that —
  - Electronic commerce transactions are processed completely, accurately, and in conformity with its disclosed business practices, and
  - Personally identifiable information obtained as a result of electronic commerce was protected in conformity with its disclosed privacy practices

in accordance with the CICA/AICPA WebTrust Business Practices/Transaction Integrity Criteria [[hot link to business practices/transaction integrity principle and criteria](#)] and the WebTrust Privacy Criteria [[hot link to privacy principle and criteria](#)]. These practices, disclosures, compliance and controls are the responsibility of ABC Company's management. Our responsibility is to express an opinion based on our audit.

Our audit was conducted in accordance with standards for assurance engagements established by the Canadian Institute of Chartered Accountants (CICA). Those standards require that we plan and perform our audit to obtain reasonable assurance as a basis for our opinion. Our audit included (1) obtaining an understanding of ABC Company's disclosed business and privacy practices for electronic commerce transactions and the related controls over privacy and the processing of such transactions, (2) testing compliance with its disclosed business and privacy practices, (3) testing and evaluating the operating effectiveness of the controls, and (4) performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, ABC Company management's assertion referred to above is fairly stated in all material respects in accordance with the CICA/AICPA WebTrust Business Practices/Transaction Integrity and Privacy Criteria.

Because of inherent limitations in controls, error or fraud may occur and not be detected. Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that the validity of such conclusions may be altered because of (1) changes made to the system or controls, (2) changes in processing requirements, (3) changes required because of the passage of time, or (4) a deterioration in the degree of compliance with the policies or procedures.

The WebTrust Seal for Consumer Protection on ABC Company's Web site constitutes a symbolic representation of the contents of this report and it is not intended, nor should it be construed, to update this report or provide any additional assurance.

This report does not include any representation as to the quality of ABC Company's goods [information or services] nor their suitability for any customer's intended purpose.

*[Name of CA firm]*

*[City, Province]*

Chartered Accountants

*[Date of report]*

## **Illustration Eleven—Report Covering Special Consumer Protection WebTrust Audit— Attest, Using Cumulative Reporting**

### **Auditor's Report**

To the Management of ABC Company, Inc.:

We have audited management's assertion [[hot link to management's assertion](#)] that ABC Company, Inc. (ABC Company) during the period Xxxx xx, 2000 through Yyyy yy, 2001 —

- Disclosed its business and privacy practices for electronic commerce,
- Complied with such business and privacy practices, and
- Maintained effective controls to provide reasonable assurance that —
  - Electronic commerce transactions are processed completely, accurately, and in conformity with its disclosed business practices, and
  - Personally identifiable information obtained as a result of electronic commerce was protected in conformity with its disclosed privacy practices

in accordance with the CICA/AICPA WebTrust Business Practices/Transaction Integrity Criteria [[hot link to business practices/transaction integrity principle and criteria](#)] and the WebTrust Privacy Criteria [[hot link to privacy principle and criteria](#)]. These practices, disclosures, compliance, and controls are the responsibility of ABC Company's management. Our responsibility is to express an opinion based on our audit.

Our audit was conducted in accordance with standards for assurance engagements established by the Canadian Institute of Chartered Accountants (CICA). Those standards require that we plan and perform our audit to obtain reasonable assurance as a basis for our opinion. Our audit included (1) obtaining an understanding of ABC Company's disclosed business and privacy practices for electronic commerce transactions and the related controls over privacy and the processing of such transactions, (2) testing compliance with its disclosed business and privacy practices, (3) testing and evaluating the operating effectiveness of the controls, and (4) performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, ABC Company management's assertion referred to above is fairly stated in all material respects in accordance with the CICA/AICPA WebTrust Business Practices/Transaction Integrity and Privacy Criteria.

This report is cumulative in nature, covering x years and y months, and representing the results of audit procedures performed at various times, as required by the WebTrust program, to enable a continuous report to be provided. During the period covered by this report, the WebTrust Criteria were revised and updated from time to time. Management's disclosures, practices, compliance and effectiveness of controls were audited in relation to the versions of the WebTrust Criteria during such period of performing the audit procedures.



Because of inherent limitations in controls, error or fraud may occur and not be detected. Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that the validity of such conclusions may be altered because of (1) changes made to the system or controls, (2) changes in processing requirements, (3) changes required because of the passage of time, or (4) a deterioration in the degree of compliance with the policies or procedures.

The WebTrust Seal for Consumer Protection on ABC Company's Web site constitutes a symbolic representation of the contents of this report and it is not intended, nor should it be construed, to update this report or provide any additional assurance.

This report does not include any representation as to the quality of ABC Company's goods [information or services] nor their suitability for any customer's intended purpose.

*[Name of CA firm]*

*[City, Province]*

Chartered Accountants

*[Date of report]*

## Illustration Twelve—Report Covering Four Principles—Opining on Management’s Assertion

### Auditor's Report

To the Management of ABC Company, Inc.:

We have audited management's assertion [[hotlink to management's assertion](#)] that ABC Company, Inc. (ABC Company) during the period Xxxx xx, 2000 through Yyyy yy, 2000 —

- Disclosed its business, key security, privacy, and availability practices, for electronic commerce transactions,
- Complied with such business, security, privacy and availability practices, and
- Maintained effective controls to provide reasonable assurance that—
  - Electronic commerce transactions are processed completely, accurately, and in conformity with its disclosed business practices,
  - Access to the electronic commerce system and data was restricted only to authorized individuals in conformity with its disclosed security practices,
  - Personally identifiable information obtained as a result of electronic commerce was protected in conformity with its disclosed privacy practices, and
  - Electronic commerce systems and data are available in conformity with its disclosed availability practices

in accordance with the CICA/ AICPA WebTrust Business Practices/Transaction Integrity Criteria [[hot link to business practices/transaction integrity principle and criteria](#)], the WebTrust Security Criteria [[hot link to security principle and criteria](#)], the WebTrust Privacy Criteria [[hot link to privacy principle and criteria](#)], and the WebTrust Availability Criteria [[hot link to availability principle and criteria](#)]. These practices, disclosures, compliance and controls are the responsibility of ABC Company’s management. Our responsibility is to express an opinion based on our audit.

Our audit was conducted in accordance with standards for assurance engagements established by the Canadian Institute of Chartered Accountants (CICA). Those standards require that we plan and perform our audit to obtain reasonable assurance as a basis for our opinion. Our audit included (1) obtaining an understanding of ABC Company’s disclosed business, security, privacy, and availability practices for electronic commerce transactions and the related controls over security, privacy, availability, and the processing of such transactions, (2) testing compliance with its disclosed business, security, privacy practices, and availability practices, (3) testing and evaluating the operating effectiveness of the controls, and (4) performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, ABC Company management’s assertion referred to above is fairly stated in all material respects in accordance with the CICA/AICPA WebTrust Business Practices/Transaction Integrity, Security, Privacy, and Availability Criteria.

Because of inherent limitations in controls, error or fraud may occur and not be detected. Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that the

validity of such conclusions may be altered because of (1) changes made to the system or controls, (2) changes in processing requirements, (3) changes required because of the passage of time, or (4) a deterioration in the degree of compliance with the policies or procedures.

The WebTrust Seal of assurance on ABC Company's Web site constitutes a symbolic representation of the contents of this report and it is not intended, nor should it be construed, to update this report or provide any additional assurance.

This report does not include any representation as to the quality of ABC Company's goods [information or services] nor their suitability for any customer's intended purpose.

*[Name of CA firm]*

Chartered Accountants

*[City, Province]*

*[Date of report]*

## Prepared Under AICPA Standards - Point-in-time Report Examples

### Illustration Thirteen—Report for One Principle—Opining on Management’s Assertion<sup>5</sup>

#### Independent Auditor's Report

To the Management of ABC Company, Inc.:

We have examined management’s assertion [hot link to management's assertion] that ABC Company, Inc. (ABC Company) as of Yyyy yy, 2000 —

- Disclosed its key security practices for electronic commerce,
- Complied with such security practices, and
- Maintained effective controls to provide reasonable assurance that access to the electronic commerce system and data was restricted only to authorized individuals in conformity with its disclosed security practices

based on the AICPA/CICA WebTrust Security Criteria [hot link to security principle and criteria]. These practices, disclosures, compliance, and controls are the responsibility of ABC Company’s management. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included (1) obtaining an understanding of ABC Company’s disclosed security practices and the related controls over security, (2) testing compliance with its disclosed security practices, (3) testing and evaluating the operating effectiveness of the controls, and (4) performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, ABC Company management’s assertion referred to above is fairly stated, in all material respects, based on the AICPA/CICA WebTrust Security Criteria.

Because of inherent limitations in controls, error or fraud may occur and not be detected. Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that the validity of such conclusions may be altered because of (1) changes made to the system or controls, (2) changes in processing requirements, (3) changes required because of the passage of time, or (4) a deterioration in the degree of compliance with the policies or procedures.

---

<sup>5</sup> To be used when opining on management’s assertion when the practitioner has concluded that there is an appropriate “look-back period” to issue a report on the site’s compliance with practices and the effectiveness of controls. Please see appropriate guidance in “Other Reporting Issues” section of this document.

The WebTrust Seal of assurance on ABC Company's Web site constitutes a symbolic representation of the contents of this report and it is not intended, nor should it be construed, to update this report or provide any additional assurance.

*[Name of CPA firm]*

Certified Public Accountants

*[City, State]*

*[Date]*

For reports covering the Business Practices/Transaction Integrity Principle, the practitioner should add the following as a final paragraph: "This report does not include any representation as to the quality of ABC Company's goods [information or services] nor their suitability for any customer's intended purpose." The practitioner may also include such paragraph in his or her report in other circumstances.

## Illustration Fourteen—Report for One Principle—Opining on Management’s Assertion<sup>6</sup>

### Independent Auditor's Report

To the Management of ABC Company, Inc.:

We have examined management’s assertion [[hot link to management’s assertion](#)] that ABC Company, Inc. (ABC Company) as of Yyyy yy, 2000 —

- Disclosed its privacy practices for electronic commerce, and
- Maintained effective controls to provide reasonable assurance that it complied with those privacy practices and that personally identifiable information obtained as a result of electronic commerce was protected

in conformity with its disclosed privacy practices based on the AICPA/CICA WebTrust Privacy Criteria [[hot link to Privacy principle & criteria.](#)] These practices, disclosures, and controls are the responsibility of ABC Company’s management. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included (1) obtaining an understanding of ABC Company’s disclosed privacy practices and its related controls over privacy, (2) testing and evaluating the operating effectiveness of the controls, and (3) performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, ABC Company management’s assertion referred to above is fairly stated, in all material respects, based on the AICPA/CICA WebTrust Privacy Criteria.

Because of inherent limitations in controls, error or fraud may occur and not be detected. Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that the validity of such conclusions may be altered because of (1) changes made to the system or controls, (2) changes in processing requirements, (3) changes required because of the passage of time, or (4) a deterioration in the degree of compliance with the policies or procedures.

---

<sup>6</sup> To be used when opining on management’s assertion when the available “look-back” period for an initial report is sufficient to obtain evidence regarding the effectiveness of controls over compliance, but not sufficient to obtain sufficient competent evidential matter regarding the entity’s compliance with its disclosed practices. Please see appropriate guidance in “Other Reporting Issues” section of this document.

The WebTrust Seal of assurance on ABC Company's Web site constitutes a symbolic representation of the contents of this report and it is not intended, nor should it be construed, to update this report or provide any additional assurance.

*[Name of CPA firm]*

Certified Public Accountants

*[City, State]*

*[Date]*

For reports covering the Business Practices/Transaction Integrity Principle, the practitioner should add the following as a final paragraph: "This report does not include any representation as to the quality of ABC Company's goods [information or services] nor their suitability for any customer's intended purpose." The practitioner may also include such paragraph in his or her report in other circumstances.

## Prepared Under CICA Standards - Point-in-Time Report Examples

### Illustration Fifteen—Report for One Principle—Opining on Management’s Assertion<sup>7</sup>

#### Auditor's Report

To the Management of ABC Company, Inc.:

We have audited management’s assertion [[hot link to management's assertion](#)] that ABC Company, Inc. (ABC Company) as of Yyyy yy, 2000 —

- Disclosed its key security practices for electronic commerce,
- Complied with such security practices, and
- Maintained effective controls to provide reasonable assurance that access to the electronic commerce system and data was restricted only to authorized individuals in conformity with its disclosed security practices

in accordance with the CICA/AICPA WebTrust Security Criteria [[hot link to security principle and criteria](#)]. These practices, disclosures, compliance, and controls are the responsibility of ABC Company’s management. Our responsibility is to express an opinion based on our audit.

Our audit was conducted in accordance with standards for assurance engagements established by the Canadian Institute of Chartered Accountants (CICA). Those standards require that we plan and perform our audit to obtain reasonable assurance as a basis for our opinion. Our audit included (1) obtaining an understanding of ABC Company’s disclosed security practices and the related controls over security, (2) testing compliance with its disclosed security practices, (3) testing and evaluating the operating effectiveness of the controls, and (4) performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, ABC Company management’s assertion referred to above is fairly stated in all material respects in accordance with the CICA/ AICPA WebTrust Security Criteria.

Because of inherent limitations in controls, error or fraud may occur and not be detected. Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that the validity of such conclusions may be altered because of (1) changes made to the system or controls, (2) changes in processing requirements, (3) changes required because of the passage of time, or (4) a deterioration in the degree of compliance with the policies or procedures.

---

<sup>7</sup> To be used when opining on management’s assertion when the practitioner has concluded that there is an appropriate “look-back period” to issue a report on the site’s compliance with practices and the effectiveness of controls. Please see appropriate guidance in “Other Reporting Issues” section of this document.



The WebTrust Seal of assurance on ABC Company's Web site constitutes a symbolic representation of the contents of this report and it is not intended, nor should it be construed, to update this report or provide any additional assurance.

*[Name of CA firm]*

*[City, Province]*

Chartered Accountants

*[Date of report]*

For reports covering the Business Practices/Transaction Integrity Principle, the practitioner should add the following as a final paragraph: "This report does not include any representation as to the quality of ABC Company's goods [information or services] nor their suitability for any customer's intended purpose." The practitioner may also include such paragraph in his or her report in other circumstances.

## Illustration Sixteen—Report for One Principle—Opining on Management’s Assertion<sup>8</sup>

### Auditor's Report

To the Management of ABC Company, Inc.:

We have audited management’s assertion [hot link to management’s assertion] that ABC Company, Inc. (ABC) as of Yyyy yy, 2000 —

- Disclosed its privacy practices for electronic commerce, and
- Maintained effective controls to provide reasonable assurance that it complied with those privacy practices and that personally identifiable information obtained as a result of electronic commerce was protected in conformity with its disclosed privacy practices

in accordance with the CICA/AICPA WebTrust Privacy Criteria [hot link to Privacy principle & criteria.] These practices, disclosures, and controls are the responsibility of ABC Company’s management. Our responsibility is to express an opinion based on our audit.

Our audit was conducted in accordance with standards for assurance engagements established by the Canadian Institute of Chartered Accountants (CICA). Those standards require that we plan and perform our audit to obtain reasonable assurance as a basis for our opinion. Our audit included (1) obtaining an understanding of ABC Company’s disclosed privacy practices and its related controls over privacy, (2) testing and evaluating the operating effectiveness of the controls, and (3) performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, ABC Company management’s assertion referred to above is fairly stated in all material respects in accordance with the CICA/AICPA WebTrust Privacy Criteria.

Because of inherent limitations in controls, error or fraud may occur and not be detected. Furthermore, the projection of any conclusions, based on our findings, to future periods is subject to the risk that the validity of such conclusions may be altered because of (1) changes made to the system or controls, (2) changes in processing requirements, (3) changes required because of the passage of time, or (4) a deterioration in the degree of compliance with the policies or procedures.

---

<sup>8</sup> To be used when opining on management’s assertion when the available “look-back” period for an initial report is sufficient to obtain evidence regarding the effectiveness of controls over compliance, but not sufficient to obtain sufficient competent evidential matter regarding the entity’s compliance with its disclosed practices. Please see appropriate guidance in “Other Reporting Issues” section of this document.

The WebTrust Seal of assurance on ABC Company’s Web site constitutes a symbolic representation of the contents of this report and it is not intended, nor should it be construed, to update this report or provide any additional assurance.

*[Name of CA firm]*

*[City, Province]*

Chartered Accountants

*[Date of report]*

For reports covering the Business Practices/Transaction Integrity Principle, , the practitioner should add the following as a final paragraph: “This report does not include any representation as to the quality of ABC Company’s goods [information or services] nor their suitability for any customer’s intended purpose.” The practitioner may also include such paragraph in his or her report in other circumstances.