Extract of Agenda Item 3-C, Proposed ISA 805 (Revised)

Appendix 2 – Illustrations of Auditor’s Reports on a Single Financial Statement and on a Specific Element of a Financial Statement

Selected Text of Illustration 3

DT-700 Preferred Option – With No Reference to the Specific Topics or Sub-headings in the Key Audit Matters Section

**Other Matters**

Our auditor’s report on the complete set of audited financial statements of the Company for the year ended December 31, 20X1 included the communication of key audit matters for that audit.

Alternate – With Reference to the Relevant Subheadings in the Key Audit Matters Section

**Other Matter**

The Key Audit Matters section of our auditor’s report on the complete set of audited financial statements of the Company for the year ended December 31, 20X1 included the description(s) of [include the sub-heading\(^1\) of each of key audit matter determined to be relevant]. We believe this matter also is relevant to users of this report.

Application and Other Explanatory Material

**Forming an Opinion and Reporting Considerations**


A23. The auditor may consider whether it is relevant to communicate, in the auditor’s report on the single financial statement or on a specific element of a financial statement, that key audit matters are communicated in the auditor’s report on a complete set of financial statements. If the auditor considers it appropriate to do so, this information is included in an Other Matter paragraph in the auditor’s report on the single financial statement or element of a financial statement in accordance with ISA 706 (Revised) (see Illustration 3 in the Appendix to this ISA). This is not appropriate when the auditor’s report on the complete set of financial statements is not available to the intended users of the auditor’s report to which this ISA applies. However, the auditor may also consider whether the application of ISA 701 in the context of the audit of the single financial statement or element of a financial statement would result in the communication of additional key audit matters, in which case, the guidance in paragraph A19 applies instead.

\(^1\) See paragraph 11 of ISA 701, Communicating Key Audit Matters in the Independent Auditor’s Report