

July 2007

Basis for Conclusions: Close Off
Document—ISA 800 (Revised),
Special Considerations—Audits
of Special Purpose Financial
Statements and Specific
Elements, Accounts or Items of a
Financial Statement

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Assurance Standards Board*



**International Federation
of Accountants**

BASIS FOR CONCLUSIONS

CLOSE OFF DOCUMENT – ISA 800 (REVISED), SPECIAL CONSIDERATIONS— AUDITS OF SPECIAL PURPOSE FINANCIAL STATEMENTS AND SPECIFIC ELEMENTS, ACCOUNTS OR ITEMS OF A FINANCIAL STATEMENT

This Basis for Conclusions has been prepared by staff of the International Auditing and Assurance Standards Board (IAASB). It relates to, but does not form part of, the close off document¹ of ISA 800 (Revised), “Special Considerations—Audits of Special Purpose Financial Statements and Specific Elements, Accounts or Items of a Financial Statement,” which was approved by 14 of the 18 members of the IAASB in October 2006

Introduction

1. In September 2006, the IAASB agreed the conventions that it would use in drafting future International Standards on Auditing (ISAs). These conventions are commonly referred to as the IAASB’s Clarity conventions.
2. The IAASB issued exposure drafts of certain proposed revised ISAs before it finalized these new conventions. In developing these proposed ISAs for public comment and subsequently revising them as a result of responses received during the consultation, the IAASB applied its old drafting conventions. The revised ISAs, finalized but not issued, are described as the “close off” documents, and represent the final ISAs that the IAASB would have published had it not changed its drafting conventions as a result of the Clarity project. The Clarity conventions and any necessary redrafting are then applied to the close off documents to arrive at proposed redrafted ISAs that are next exposed for public comment on the Clarity changes only (unless in any particular case there is a specific issue on which further consultation (in effect re-exposure) is deemed necessary).

Project to Revise Extant ISA 800

3. Extant ISA 800, “The Independent Auditor’s Report on Special Purpose Audit Engagements” (extant ISA 800) was last revised in March 1994. ISA 700, “The Independent Auditor’s Report on a Complete Set of General Purpose Financial Statements” and amendments to ISA 200, “Objective and General Principles Governing an Audit of Financial Statements,” which were approved in December 2004, not only gave rise to conforming amendments to extant ISA 800, but also highlighted the need for a more comprehensive revision. In particular, the scope of ISA 700 was limited to auditors’ reports on a complete set of general purpose financial statements prepared and presented in accordance with a fair presentation framework. Consequently, the scope of extant ISA 800 was expanded beyond auditors’ reports for special purpose audit engagements to include auditors’ reports for general purpose audit engagements that do not meet the scope of ISA 700.
4. In addition, requirements and guidance for auditors’ reports on summary financial statements in extant ISA 800 were placed in a separate ISA. The Basis for Conclusions:

¹ Paragraph 2 describes the term “close off” document.

ISA 805 (Revised), “Engagements to Report on Summary Financial Statements” explains the IAASB’s decision in this regard.

5. In June 2005, the IAASB issued an exposure draft of proposed ISA 701, “The Independent Auditor’s Report on Other Historical Financial Information” (ED-ISA 701). The comment period closed on October 31, 2005. Thirty-four comment letters were received from a variety of respondents, including regulators, IFAC member bodies, national standard setters, and firms. The IAASB revised the proposed ISA as a result of these comments and approved the closed off document of ISA 800 (Revised), “Special Considerations—Audits of Special Purpose Financial Statements and Specific Elements, Accounts or Items of a Financial Statement”² under its old drafting conventions in October 2006. The Public Interest Oversight Board (PIOB) expressed satisfaction that the IAASB had duly followed its due process.
6. This Basis for Conclusions explains the more significant issues raised by respondents on ED-ISA 701, and how the IAASB has addressed them in finalizing the close off document of ISA 800 (Revised).
7. This Basis for Conclusions is issued to coincide with the release of the Clarity-redrafted exposure draft. The effects of the redrafting are explained in the separate explanatory memorandum accompanying that exposure draft.

Conforming Amendments

8. ISA 800 (Revised) gave rise to conforming amendments to ISA 200, ISA 210, “Terms of Audit Engagements,” and ISA 700. These are presented with the close off document of ISA 800 (Revised).

ISA Numbers and Titles

9. The IAASB debated the numbering and titles of the ISAs that deal with auditors’ reports. To clearly distinguish auditors’ reports on special purpose financial statements from auditors’ reports on general purpose financial statements, the IAASB agreed to renumber ED-ISA 701 as ISA 800 (Revised).
10. The IAASB also concluded that the requirements and guidance in ISA 800 (Revised) relate to performance and reporting, and agreed that this should be reflected in its title. Further, to clearly indicate that other ISAs apply to audits of special purpose financial statements and specific elements, accounts or items of a financial statement, the IAASB agreed that the title of ISA 800 (Revised) should reflect that it deals with *special considerations* in such audits. Consequently, the title of ISA 800 (Revised) became “Special Considerations—Audits of Special Purpose Financial Statements and Specific Elements, Accounts or Items of a Financial Statement.”
11. References to “ISA 800 (Revised)” in the remainder of this paper are to the close off document of ISA 800 (Revised), which was approved by the IAASB in October 2006. The close-off document of ISA 800 (Revised) was derived from ED-ISA 701.

² See footnote 1.

Scope of ISA 800 (Revised)

ISA 800 (Revised) vs. ISA 700

12. As explained in paragraph 3, the scope of ED-ISA 701 was primarily determined as a result of the change in the scope of ISA 700 (issued in the December 2004). The scope of ISA 700 was limited to auditors' reports on a complete set of general purpose financial statements prepared and presented in accordance with a fair presentation framework. Consequently, ED-ISA 701 expanded the scope of extant ISA 800 to include auditors' reports on general purpose financial statements that did not meet the scope of ISA 700, such as auditors' reports on complete sets of general purpose financial statements prepared in accordance with compliance frameworks. In addition, ED-ISA 701 dealt with auditors' reports on complete sets of financial statements prepared for a special purpose, and auditors' reports on single financial statements and specific elements, accounts or items of a financial statement prepared for a general purpose or a special purpose. Some of the auditors' opinions required by ED-ISA 701 were "true and fair/present fairly" opinions, while others were compliance opinions; ISA 700, because of its scope, only dealt with "true and fair/present fairly" opinions.
13. Some respondents to the exposure draft were of the view that the simplicity of extant ISA 800 had been lost as a result of the narrow scope of ISA 700. There were different views on how this might be resolved. Some respondents recommended a split between auditors' reports on general purpose financial statements and auditors' reports on special purpose financial statements. Others proposed a split based on form of opinion – that is, one ISA should deal with "true and fair/present fairly" opinions, while the other ISA should deal with other forms of opinion. This proposal seemed related to respondents' understanding of the circumstances in which the respective forms of opinion should be expressed – that is, some respondents believed that "true and fair/present fairly" opinions should be expressed on all financial statements prepared for a general purpose.
14. The IAASB was of the view that a split between auditors' reports on general purpose financial statements and auditors' reports on special purpose financial statements would provide a clear indication as to where to look for requirements and guidance relevant to auditors' reports. The IAASB therefore agreed that:
 - (a) ISA 700 should deal with auditors' reports on general purpose financial statements and ISA 800 (Revised) with auditors' reports on special purpose financial statements;
 - (b) Both ISAs should address financial statements as defined in paragraph 1a of ISA 200 (Amended as a Result of ISA 800 (Revised)) (ISA 200 (Amended)) – that is, complete sets of financial statements and single financial statements; and
 - (c) Both ISAs should address fair presentation frameworks and compliance frameworks (see paragraph 32).

As a result, ISA 700 (Amended as a Result of ISA 800 (Revised)) (ISA 700 (Amended)) deals with auditors' reports on complete sets of general purpose financial statements and auditors' reports on single general purpose financial statements. The complete set of

financial statements or single financial statement may be prepared in accordance with a fair presentation or compliance framework. ISA 800 (Revised), on the other hand, deals with auditors' reports on complete sets of special purpose financial statements and auditors' reports on single special purpose financial statements. The complete set of financial statements or single financial statement may be prepared in accordance with a fair presentation or compliance framework. As explained in paragraph 18 below, ISA 800 (Revised) also deals with auditors' reports on specific elements, accounts or items of a financial statement. They may be prepared for a general or special purpose in accordance with a fair presentation or compliance framework.

15. To facilitate this split, the IAASB defined “general purpose financial statements” and “special purpose financial statements” with reference to the purpose for which the applicable financial reporting framework is designed. Accordingly, paragraph 36a of ISA 200 (Amended) describes “special purpose financial statements” as “financial statements prepared and presented in accordance with a special purpose framework” and “general purpose financial statements” as “financial statements prepared and presented in accordance with a general purpose framework.” In addition, paragraph 5 of ISA 800 (Revised) defines “special purpose framework” as “a financial reporting framework designed to meet the financial information needs of specific users.” Paragraph 2 of ISA 700 (Amended) defines “general purpose framework” as “a financial reporting framework designed to meet the common financial information needs of a wide range of users.”
16. The IAASB also agreed that ISA 800 (Revised) should clarify that financial statements prepared and presented in accordance with a special purpose framework may be the only financial statements prepared by an entity and, in such circumstances, are often used by users in addition to those for whom the framework is designed. Despite the broad distribution of the financial statements in those circumstances, the financial statements are still considered to be special purpose financial statements for purposes of the ISAs. See paragraph 8 of ISA 800 (Revised).

Audits of Specific Elements, Accounts or Items of a Financial Statement

17. ED-ISA 701 contained requirements and guidance for audits of specific elements, accounts or items of a financial statement. The majority of respondents to the exposure draft agreed that the ISAs should address such audits. A small number of respondents disagreed that the ISAs should contain such requirements and guidance, while others disagreed with, or questioned the completeness of, the proposed requirements and guidance. In particular, they were concerned about leaving it to the auditor's judgment to determine which ISAs, or requirements thereof, are relevant to such audits. Many respondents expressed concern about using the phrase “true and fair/present fairly” in the auditor's opinion on a specific element, account or item of a financial statement.
18. The IAASB was of the view that there is a need for requirements and guidance on audits of specific elements, accounts or items of a financial statement. There are well established practices for such reports in a number of jurisdictions, and withdrawal of the existing requirements and guidance might lead to inconsistency in practice. The IAASB agreed

that the requirements and guidance, appropriately amended, should be retained in ISA 800 (Revised). See paragraphs 22-36 of ISA 800 (Revised).

19. In addition, the IAASB agreed that the requirements and guidance should clarify the following:
 - (a) ISA 200 requires the auditor to comply with (i) relevant ethical requirements relating to an audit engagement, and (ii) all ISAs relevant to the audit. In the case of those ISAs relevant to the audit, the auditor is required to comply with the requirements of each of the ISAs in all cases where the requirements are relevant in the circumstances of the audit unless, in exceptional circumstances, the auditor judges it necessary to depart from a relevant requirement by performing alternative audit procedures to achieve the aim of that requirement. These requirements of ISA 200 apply to an audit of specific elements, accounts or items of a financial statement, irrespective of whether the auditor is also engaged to audit the entity's financial statements. The relevance of each ISA, however, requires careful consideration.
 - (b) As the ISAs are written in the context of financial statements, the relevant requirements are to be adapted as necessary in the circumstances.
 - (c) Compliance with the relevant requirements may not be practicable when the auditor is not also engaged to audit the entity's financial statements. When an audit in accordance with ISAs is not practicable, the auditor discusses with management whether another type of engagement may be practicable.

See paragraphs 22-26 of ISA 800 (Revised).

ISA 800 (Revised) vs. ISAE 3000

20. Based on responses to the exposure draft, the IAASB also considered the scopes of ISA 800 (Revised) and International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements Other than Audits or Reviews of Historical Financial Information." A small number of respondents were concerned that there is a gap in coverage between the ISAs and ISAE 3000. They were of the view that the ISAs cover financial statements and specific elements, accounts or items of a financial statement, while ISAE 3000 only covers subject matters that are not historical financial information. Consequently, ISAs would not cover historical financial information that is not a financial statement or an element, account or item thereof, for example a transaction or series of transactions (e.g., shares) pursuant to a contract between two private individuals or an audit of certain historical costs (e.g., associated with construction) presented in accordance with the terms of a contract, industry practice or applicable legislation.
21. The IAASB concluded that the confusion was created by differences in view of the meaning of the term "historical financial information." The IAASB agreed to define "historical financial information." Footnote 1 of ISA 200 (Amended) describes "historical financial information" as "information expressed in financial terms in relation to a particular entity, derived primarily from that entity's accounting system, about economic

events occurring in past time periods or about economic conditions or circumstances at points in time in the past.”

Application of ISAs 200 and 210 in Audits of Special Purpose Financial Statements

22. Some respondents to the exposure draft interpreted ED-ISA 701 as amending or avoiding certain requirements of ISA 210 in respect of financial reporting frameworks applied in preparing general purpose financial statements that fall outside the scope of ISA 700. In particular, it was suggested that this might permit auditors to report without restriction on general purpose financial statements prepared and presented in accordance with financial reporting frameworks that have deficiencies, but that are nevertheless required by law or regulation.
23. ISA 210 permits the auditor to accept an engagement only when the financial reporting framework is acceptable, or required by law or regulation. In the case of general purpose financial statements, an auditor may accept an engagement involving a financial reporting framework required by law or regulation only when any deficiencies in the framework can be adequately explained to avoid misleading users. Furthermore, in such circumstances the auditor does not express a “true and fair/present fairly” opinion, unless required by law or regulation to do so.
24. It was not the intention of the IAASB to permit the situation referred to in paragraph 22 and, in the view of the IAASB, nothing in ED-ISA 701 suggested otherwise. Furthermore, the IAASB was of the view that the principles in ISA 210 should apply to both general purpose and special purpose financial statements; this would include the conditions under which an engagement to report on financial statements prepared and presented in accordance with a financial reporting framework required by law or regulation may be accepted. The IAASB agreed that conforming amendments to ISAs 200 and 210 should clarify this.
25. In addition, the IAASB agreed that the guidance on determining the acceptability of the applicable financial reporting framework in ISA 200 should be moved to ISA 210 (general purpose frameworks) and ISA 800 (Revised) (special purpose frameworks). Further, to allay concerns that auditors would need to consider the acceptability of the financial reporting framework on all audits, ISA 210 was amended to clarify that certain general purpose frameworks may be presumed to be acceptable. In particular:
 - (a) Financial reporting standards established by organizations that are authorized or recognized to promulgate standards to be used by certain types of entities are presumed to be acceptable for general purpose financial statements prepared and presented by such entities, provided the organizations follow an established and transparent process involving deliberation and consideration of the views of a wide range of stakeholders. Examples of such financial reporting standards include:
 - International Financial Reporting Standards (IFRSs) promulgated by the International Accounting Standards Board;

- International Public Sector Accounting Standards (IPSASs) promulgated by the International Public Sector Accounting Standards Board; and
 - Accounting principles promulgated by an authorized or recognized standards setting organization in a particular jurisdiction.
- (b) In the absence of indications to the contrary, financial reporting frameworks prescribed by law or regulation to be used in preparing general purpose financial statements for certain types of entities are also presumed to be acceptable for general purpose financial statements prepared and presented by such entities.
26. ISA 800 (Revised) contains similar guidance with regard to special purpose frameworks.

Applicable Financial Reporting Framework

27. ISA 200 explains that the objective of an audit is to express an opinion whether the financial statements are prepared, in all material respects, in accordance with the applicable financial reporting framework; however, the ISAs do not describe the term “financial reporting framework.” As a result, ED-ISA 701 contained a description of the term.
28. ED-ISA 701 explained that, for purposes of the proposed ISA, the financial reporting framework may encompass a number of sources of varying authority (that is, it may encompass more than just financial reporting standards and legal requirements). Respondents to the exposure draft questioned whether all sources proposed were appropriate. They were also concerned (a) about the authority of the various sources, and how conflicts amongst them, and with financial reporting standards established by an authorized or recognized standards setting organization, might be resolved, and (b) whether the proposal applied to special purpose financial statements as well as general purpose financial statements.
29. The IAASB noted that the auditor may be engaged to report on the audit of a wide variety of historical financial information. Such financial information may be prepared to meet the common financial information needs of a wide range of users or specific users. It may be prepared in accordance with financial reporting standards established by authorized or recognized standards setting organizations that are sometimes supplemented with legislative or regulatory requirements. Financial information may also be prepared in accordance with financial reporting provisions established by regulators or set out in law or regulation. Alternatively, some entities that are registered or operating in jurisdictions without an authorized or recognized standards setting organization, or where use of the financial reporting framework is not prescribed by law or regulation, may prepare financial information based on accepted practice in that jurisdiction.
30. Furthermore, most authorized or recognized financial reporting frameworks adopted by management do not derive their accounting principles, or the application of these principles, from financial reporting standards and legal or regulatory requirements alone. Such frameworks are often influenced by published views of varying authority, industry practice, and accounting literature that address the interpretation and application of specific requirements.

31. Based on the above, the IAASB agreed the following:
- (a) The description of the term “financial reporting framework” should recognize the range of other sources referred to in paragraphs 28 and 30, leading the auditor to consider the entire applicable financial reporting framework when determining the acceptability of the framework and how its requirements are applied in practice.
 - (b) To address the concern that undue weight is given to industry practices widely recognized and prevalent and accounting literature as compared to sources of greater authority, and the fact that there may be conflicts amongst the different sources within a financial reporting framework, the guidance should clarify that the auditor considers the relative authority of the different sources from which the accounting principles are derived and, where conflicts exist amongst them, the source with the highest authority prevails.
 - (c) To clarify that management is responsible for identifying the sources that make up the applicable financial reporting framework, or the sources that give direction on the application of the framework, the guidance, appropriately amended, should be moved to the section on Responsibility for the Financial Statements in ISA 200. See paragraph 36b of ISA 200 (Amended).
32. ED-ISA 701 also introduced the terms “fair presentation framework” and “compliance framework.” The distinction is relevant to the form of opinion and is discussed in the section below. The terms were developed based on the IAASB’s observation that some financial reporting frameworks, implicitly or explicitly, impose an obligation on management to either provide disclosures beyond the specific requirements of the framework or, in extremely rare circumstances, depart from the specific requirements of the framework in order for the financial statements to achieve fair presentation (“fair presentation frameworks”). Other financial reporting frameworks limit management’s responsibility to the preparation of financial statements in compliance with the requirements of the framework only (“compliance frameworks”).

Form of Opinion

33. ED-ISA 701 explained that:
- (a) The auditor uses the phrases “give a true and fair view” or “present fairly, in all material respects,” to express the opinion on other historical financial information prepared and presented in accordance with a fair presentation framework *when that framework is designed to achieve fair presentation of the specific information presented*. (This position was based on the assumption stated in ISA 700 that the phrases “give a true and fair view” or “present fairly, in all material respects,” are equivalent.)
 - (b) The auditor uses the phrase “properly prepared, in all material respects,” to express the opinion on other historical financial information prepared and presented in accordance with a compliance framework.

34. The guidance in paragraph 33(a) was based on the belief that a complete set of financial statements prepared and presented in accordance with many fair presentation frameworks, for example, are intended to represent the financial position, financial performance and cash flows of an entity, and that fair presentation is achieved when these are represented fairly by the financial statements. An auditor's opinion that makes reference to "give a true and fair view" or "present fairly, in all material respects," is therefore not only an opinion on the preparation of the financial statements, but also on the "picture" that they present. It follows, therefore, that the applicable financial reporting framework must be designed to enable this to be done.
35. The guidance in paragraph 33(b) was based on the belief that an auditor's opinion on financial statements prepared in accordance with a compliance framework is limited to concluding whether the financial statements are prepared in accordance with all the requirements of that framework.
36. Although many respondents to the exposure draft were in agreement with the proposed guidance, comments indicated that not all respondents had a similar understanding of the circumstances in which such an auditor's opinion should be permitted.
37. For example, some respondents commented on the IAASB's proposal to limit the use of the phrases "give a true and fair view" and "present fairly, in all material respects," to a financial reporting framework designed to achieve fair presentation *of the specific information presented*. Some respondents were concerned about the fact that they were not able to identify a recognized financial reporting framework that explicitly deals with the preparation and fair presentation of historical financial information other than a complete set of financial statements. Others respondents, on the same grounds, believed that it was inappropriate for ED-ISA 701 to suggest that auditors could provide a "true and fair/present fairly" opinion on a single financial statement or a specific element, account or item of a financial statement. Yet other respondents believed that it was possible to identify the requirements within a financial reporting framework (for example, IFRSs) that are relevant to the fair presentation of a single financial statement or a specific element, account or item of a financial statement, and to report on the fair presentation of that information in accordance with the relevant requirements of the framework.
38. Given the varying views expressed by the respondents, the IAASB reconsidered the principles underlying the position it presented in ED-ISA 701. The IAASB debated whether the phrases "give a true and fair view" and "present fairly, in all material respects," should be assumed to be equivalent, and whether their use should be restricted to certain types of financial reporting framework and/or auditors' reports on complete sets of financial statements only.
39. A number of alternatives were debated in the context of complete sets of financial statements. The IAASB concluded that there was no reason to overturn the existing position that the phrases "give a true and fair view" and "present fairly, in all material respects," are equivalent. It also considered that it was appropriate to require their use in connection with auditor's opinions on financial statements prepared and presented in

accordance with a fair presentation framework. In all other cases, the auditor’s opinion should state whether the financial statements are prepared, in all material respects, in accordance with the financial reporting framework.

40. The IAASB also debated the form of opinion for single financial statements and specific elements, accounts or items of a financial statement. Many respondents to the exposure draft were uncertain about the form of opinion for single financial statements; some believed that fair presentation opinions were acceptable for balance sheets but not for other single financial statements. Even more respondents were concerned about using the phrases “give a true and fair view” or “present fairly, in all material respects,” in auditors’ opinions on specific elements, accounts or items of a financial statement.
41. The majority of IAASB members were of the view that, where the applicable financial reporting framework is a fair presentation framework, the criteria for such a framework continue to apply, irrespective of whether the audit object is a single financial statement or a specific element, account or item of a financial statement. Furthermore, in light of the lack of consensus displayed by respondents to the exposure draft, the IAASB considered that it would not be appropriate to change the position reflected in extant ISAs, which acknowledge the appropriateness of fair presentation opinions for single financial statements and specific elements, accounts or items of a financial statement, although such opinions should be restricted to cases where fair presentation frameworks are used.
42. Consequently, ISA 700 (Amended) and ISA 800 (Revised) do not distinguish between the form of opinion for complete sets of financial statements and single financial statements. ISA 800 (Revised) also explains that, unless otherwise required by law or regulation, the opinion paragraph of the auditor’s report on a specific element, account or item of a financial statement states that the element, account or item gives a true and fair view or presents fairly, in all material respects, in accordance with the applicable financial reporting framework when that framework is a fair presentation framework.

Financial Statements Prepared and Presented in Accordance with a Compliance Framework

43. Based on responses to the exposure draft, the IAASB debated whether the auditor’s opinion on financial statements prepared and presented in accordance with a compliance framework should read “*properly* prepared, in all material respects, in accordance with ...,” as indicated in ED-ISA 701. The IAASB was concerned that the word “properly” might have caused confusion. For example, one respondent was of the view that “properly prepared” connotes a higher level of exactitude than “fairly presents,” while another respondent was of the view that the objective of a reasonable assurance engagement will not be met when information is “properly prepared.” While the IAASB did not accept these arguments, it did acknowledge that some confusion appears to be generated by the use of the term. The IAASB therefore agreed that the phrase “prepared, in all material respects, in accordance with ...” be used. See paragraph 36 of ISA 700 (Amended), which – as a result of paragraphs 16 and 31 of ISA 800 (Revised) – also applies to auditors’ opinions on special purpose financial statements and specific elements, accounts or items of a financial statement.

Forming an Opinion

44. In line with the IAASB's view that the form of opinion is determined by the applicable financial reporting framework, paragraph 9 of ISA 700 (Amended) explains that forming an opinion on financial statements prepared and presented in accordance with a fair presentation framework also involves evaluating whether those financial statements achieve fair presentation. Paragraph 10 of ISA 700 (Amended) deals with circumstances where the financial statements, although prepared and presented in accordance with the specific requirements of the fair presentation framework, do not achieve fair presentation.
45. Paragraph 11 of ISA 700 (Amended) explains that, when financial statements are prepared and presented in accordance with a compliance framework, it will be extremely rare for the auditor to consider such financial statements to be misleading. However, if the auditor encounters such extremely rare circumstances (that is, where, in the auditor's professional judgment, the financial statements are misleading), the auditor discussed the matter with management and considers whether, and how, to deal with the matter in the auditor's report. The auditor's response, if any, will depend on whether, and how, management addresses the matter in the financial statements.
46. The requirements and guidance referred to in paragraphs 44 and 45 above also apply to auditors' report issued in accordance with ISA 800 (Revised). Paragraph 16 of ISA 800 (Revised) requires the auditor, when forming an opinion and reporting on special purpose financial statements, to apply the requirements and guidance in ISA 700 (Amended).



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