

ASA 800
(July 2016)

Auditing Standard ASA 800
*Special Considerations—Audits of
Financial Reports Prepared in Accordance
with Special Purpose Frameworks*

Issued by the **Auditing and Assurance Standards Board**



Australian Government

Auditing and Assurance Standards Board

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ISSN 1833-4393

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PREFACE

Reasons for Issuing ASA 800

The AUASB issues Auditing Standard ASA 800 *Special Considerations—Audits of Financial Reports Prepared in Accordance with Special Purpose Frameworks* pursuant to the requirements of the legislative provisions and the Strategic Direction explained below.

The AUASB is an independent statutory committee of the Australian Government established under section 227A of the *Australian Securities and Investments Commission Act 2001*, as amended (ASIC Act). Under section 336 of the *Corporations Act 2001*, the AUASB may make Auditing Standards for the purposes of the corporations legislation. These Auditing Standards are legislative instruments under the *Legislative Instruments Act 2003*.

Under the Strategic Direction given to the AUASB by the Financial Reporting Council (FRC), the AUASB is required, inter alia, to develop auditing standards that have a clear public interest focus and are of the highest quality.

Main Features

This Auditing Standard represents the Australian equivalent of revised ISA 800 *Special Considerations—Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks* and will replace the current ASA 800 issued by the AUASB in October 2009 (as amended).

This Auditing Standard contains differences from the revised ISA 800 *Special Considerations—Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks*, which have been made to accord with the Australian legislative environment and to maintain audit quality where the AUASB has considered there are compelling reasons to do so.

Auditing Standard ASA 800

Special Considerations—Audits of Financial Reports Prepared in Accordance with Special Purpose Frameworks

AUTHORITY STATEMENT

The Auditing and Assurance Standards Board (AUASB) makes this Auditing Standard ASA 800 *Special Considerations—Audits of Financial Reports Prepared in Accordance with Special Purpose Frameworks* pursuant to section 227B of the *Australian Securities and Investments Commission Act 2001* and section 336 of the *Corporations Act 2001*.

This Auditing Standard is to be read in conjunction with ASA 101 *Preamble to Australian Auditing Standards*, which sets out the intentions of the AUASB on how the Australian Auditing Standards, operative for financial reporting periods commencing on or after 1 January 2010, are to be understood, interpreted and applied. This Auditing Standard is to be read also in conjunction with ASA 200 *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with Australian Auditing Standards*.

Dated: 26 July 2016

M H Kelsall
Chairman - AUASB

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Conformity with International Standards on Auditing

This Auditing Standard conforms with International Standard on Auditing ISA 800 *Special Considerations—Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks* issued by the International Auditing and Assurance Standards Board (IAASB), an independent standard-setting board of the International Federation of Accountants (IFAC).

Paragraphs that have been added to this Auditing Standard (and do not appear in the text of the equivalent) are identified with the prefix “Aus”.

The equivalent requirements and related application and other explanatory material included in ISA 800 in respect of “relevant ethical requirements”, have been included in Auditing Standard, ASA 102 *Compliance with Ethical Requirements when Performing Audits, Reviews and Other Assurance Engagements*. There is no international equivalent to ASA 102.

Compliance with this Auditing Standard enables compliance with ISA 800.

AUDITING STANDARD ASA 800

Special Considerations—Audits of Financial Reports Prepared in Accordance with Special Purpose Frameworks

Application

- Aus 1.1 This Auditing Standard applies to:
- (a) an audit of a special purpose financial report for a financial year, or an audit of a special purpose financial report for a half-year, in accordance with the *Corporations Act 2001*; and
 - (b) an audit of a special purpose financial report, or a complete set of financial statements, for any other purpose.
- Aus 1.2 This Auditing Standard also applies, as appropriate, to an audit of other historical financial information.

Operative Date

- Aus 1.3 This Auditing Standard is operative for financial reporting periods ending on or after 15 December 2016.

Introduction

Scope of this Auditing Standard

1. The Australian Standards on Auditing in the 100–700 series apply to an audit of a financial report. This Auditing Standard deals with special considerations in the application of those Australian Auditing Standards to an audit of a financial report prepared in accordance with a special purpose framework.
2. This Auditing Standard is written in the context of a financial report prepared in accordance with a special purpose framework. ASA 805¹ deals with special considerations relevant to an audit of a single financial statement or of a specific element, account or item of a financial statement.
3. This Auditing Standard does not override the requirements of the other Auditing Standards; nor does it purport to deal with all special considerations that may be relevant in the circumstances of the engagement.

Effective Date

4. [Deleted by the AUASB. Refer Aus 0.3]

Objective

5. The objective of the auditor, when applying Australian Auditing Standards in an audit of a financial report prepared in accordance with a special purpose framework, is to address appropriately the special considerations that are relevant to:
 - (a) The acceptance of the engagement;
 - (b) The planning and performance of that engagement; and

¹ ASA 805 *Special Considerations—Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement*.

- (c) Forming an opinion and reporting on the financial report.

Definitions

- 6. For purposes of the Australian Auditing Standards, the following terms have the meanings attributed below:
 - (a) Special purpose financial statements – Financial statements prepared in accordance with a special purpose framework. (Ref: Para.A4)
 - (b) Special purpose framework – A financial reporting framework designed to meet the financial information needs of specific users. The financial reporting framework may be a fair presentation framework or a compliance framework.² (Ref: Para. A1–A4)
- Aus 6.1 Special purpose financial report means a complete set of financial statements^{*}, including an assertion statement[#] by those responsible for the financial report, prepared in accordance with a special purpose framework. (Ref: Para. A1–A4)
- 7. Reference to “financial statements” in this Auditing Standard means “a complete set of special purpose financial statements”. The requirements of the applicable financial reporting framework determine the presentation, structure, and content of the financial statements, and what constitutes a complete set of financial statements. Reference to “special purpose financial statements” includes the related disclosures.

Requirements

Considerations When Accepting the Engagement

Acceptability of the Financial Reporting Framework

- 8. ASA 210 requires the auditor to determine the acceptability of the financial reporting framework applied in the preparation of the financial report.³ In an audit of a special purpose financial report, the auditor shall obtain an understanding of: (Ref: Para. A5–A8)
 - (a) The purpose for which the financial report is prepared;
 - (b) The intended users; and
 - (c) The steps taken by management to determine that the applicable financial reporting framework is acceptable in the circumstances.

Considerations When Planning and Performing the Audit

- 9. ASA 200 requires the auditor to comply with all Australian Auditing Standards relevant to the audit.⁴ In planning and performing an audit of a special purpose financial report, the auditor shall determine whether application of the Australian Auditing Standards requires special consideration in the circumstances of the engagement. (Ref: Para. A9–A12)
- 10. ASA 315 requires the auditor to obtain an understanding of the entity’s selection and application of accounting policies.⁵ In the case of a financial report prepared in accordance with the provisions of a contract, the auditor shall obtain an understanding of any significant interpretations of the contract that management made in the preparation of that financial

² ASA 200 *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing*, paragraph 13(a).

^{*} ASA 200, paragraph Aus 13.1.

[#] Where considered applicable.

³ ASA 210 *Agreeing the Terms of Audit Engagements*, paragraph 6(a).

⁴ See ASA 200, paragraph 18.

⁵ See ASA 315 *Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and Its Environment*, paragraph 11(c).

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report. An interpretation is significant when adoption of another reasonable interpretation would have produced a material difference in the information presented in the financial report.

Forming an Opinion and Reporting Considerations

11. When forming an opinion and reporting on a special purpose financial report, the auditor shall apply the requirements in ASA 700.⁶ (Ref: Para. A13–A19)

Description of the Applicable Financial Reporting Framework

12. ASA 700 requires the auditor to evaluate whether the financial report adequately refers to or describes the applicable financial reporting framework.⁷ In the case of a financial report prepared in accordance with the provisions of a contract, the auditor shall evaluate whether the financial report adequately describes any significant interpretations of the contract on which the financial report is based.
13. ASA 700 deals with the form and content of the auditor's report, including the specific ordering for certain elements. In the case of an auditor's report on a special purpose financial report:
- (a) The auditor's report shall also describe the purpose for which the financial report is prepared and, if necessary, the intended users, or refer to a note in the special purpose financial report that contains that information; and
 - (b) If management has a choice of financial reporting frameworks in the preparation of such a financial report, the explanation of management's⁸ responsibility for the financial report shall also make reference to its responsibility for determining that the applicable financial reporting framework is acceptable in the circumstances.

Alerting Readers that the Financial Report is Prepared in Accordance with a Special Purpose Framework

14. The auditor's report on a special purpose financial report shall include an Emphasis of Matter paragraph alerting users of the auditor's report that the financial report is prepared in accordance with a special purpose framework and that, as a result, the financial report may not be suitable for another purpose. (Ref: Para. A20–A21)

* * *

⁶ ASA 700 *Forming an Opinion and Reporting on a Financial Report*.

⁷ See ASA 700, paragraph 15.

⁸ Or other term that is appropriate in the context of the legal framework in the particular jurisdiction.

Application and Other Explanatory Material

Definition of Special Purpose Framework (Ref: Para 6)

A1. Examples of special purpose frameworks are:

- A tax basis of accounting for a financial report that accompanies an entity's tax return;
- The cash receipts and disbursements basis of accounting for cash flow information that an entity may be requested to prepare for creditors;
- The financial reporting provisions established by a regulator to meet the requirements of that regulator; or
- The financial reporting provisions of a contract, such as a bond indenture, a loan agreement, or a project grant.

Aus A1.1 The *Corporations Act 2001*,* other applicable law or regulation, or certain parties, may determine whether a financial report is required to be prepared. Under the *Corporations Act 2001*, financial reports are required to be prepared in accordance with Australian Accounting Standards. Accounting Standard AASB 101 *Presentation of Financial Statements* defines a reporting entity and general purpose financial statements. Accounting Standard AASB 1054 *Australian Additional Disclosures* defines special purpose financial statements. Australian Accounting Standards set out requirements for general purpose financial statements. "Reporting entities" are required to prepare general purpose financial statements. "Non-reporting entities" may prepare general purpose financial statements or apply a special purpose framework for their financial reporting.

A2. There may be circumstances where a special purpose framework is based on a financial reporting framework established by an authorised or recognised standards setting organisation or by law or regulation, but does not comply with all the requirements of that framework. An example is a contract that requires a financial report to be prepared in accordance with most, but not all, of the Financial Reporting Standards of Jurisdiction X. When this is acceptable in the circumstances of the engagement, it is inappropriate for the description of the applicable financial reporting framework in the special purpose financial report to imply full compliance with the financial reporting framework established by the authorised or recognised standards setting organisation or by law or regulation. In the above example of the contract, the description of the applicable financial reporting framework may refer to the financial reporting provisions of the contract, rather than make any reference to the Financial Reporting Standards of Jurisdiction X.

A3. In the circumstances described in paragraph A2, the special purpose framework may not be a fair presentation framework even if the financial reporting framework on which it is based is a fair presentation framework. This is because the special purpose framework may not comply with all the requirements of the financial reporting framework established by the authorised or recognised standards setting organisation or by law or regulation that are necessary to achieve fair presentation of the financial report.

A4. A financial report prepared in accordance with a special purpose framework may be the only financial report an entity prepares. In such circumstances, that financial report may be used by users other than those for whom the financial reporting framework is designed. Despite the broad distribution of the financial report in those circumstances, the financial report is still considered to be a special purpose financial report for purposes of the Australian Auditing Standards. The requirements in paragraphs 13–14 are designed to avoid misunderstandings about the purpose for which the financial report is prepared. Disclosures comprise explanatory or descriptive information, set out as required, expressly permitted or otherwise

* See, for example, Division 1 of Part 2M.3 of the *Corporations Act 2001*.

allowed by the applicable financial reporting framework, on the face of a financial report, or in the notes, or incorporated therein by cross-reference.⁹

Considerations When Accepting the Engagement

Acceptability of the Financial Reporting Framework (Ref: Para. 8)

- A5. In the case of a special purpose financial report, the financial information needs of the intended users are a key factor in determining the acceptability of the financial reporting framework applied in the preparation of the financial report.
- A6. The applicable financial reporting framework may encompass the financial reporting standards established by an organisation that is authorised or recognised to promulgate standards for a special purpose financial report. In that case, those standards will be presumed acceptable for that purpose if the organisation follows an established and transparent process involving deliberation and consideration of the views of relevant stakeholders. In some jurisdictions, law or regulation may prescribe the financial reporting framework to be used by management in the preparation of a special purpose financial report for a certain type of entity. For example, a regulator may establish financial reporting provisions to meet the requirements of that regulator. In the absence of indications to the contrary, such a financial reporting framework is presumed acceptable for a special purpose financial report prepared by such entity.
- A7. Where the financial reporting standards referred to in paragraph A6 are supplemented by legislative or regulatory requirements, ASA 210 requires the auditor to determine whether any conflicts between the financial reporting standards and the additional requirements exist, and prescribes actions to be taken by the auditor if such conflicts exist.¹⁰
- A8. The applicable financial reporting framework may encompass the financial reporting provisions of a contract, or sources other than those described in paragraphs A6 and A7. In that case, the acceptability of the financial reporting framework in the circumstances of the engagement is determined by considering whether the framework exhibits attributes normally exhibited by acceptable financial reporting frameworks as described in Appendix 2 of ASA 210. In the case of a special purpose framework, the relative importance to a particular engagement of each of the attributes normally exhibited by acceptable financial reporting frameworks is a matter of professional judgement. For example, for purposes of establishing the value of net assets of an entity at the date of its sale, the vendor and the purchaser may have agreed that very prudent estimates of allowances for uncollectible accounts receivable are appropriate for their needs, even though such financial information is not neutral when compared with financial information prepared in accordance with a general purpose framework.

Considerations When Planning and Performing the Audit (Ref: Para. 9)

A9. [Deleted by the AUASB. Refer Aus A9.1]

- Aus A9.1 ASA 200 requires the auditor to comply with (a) relevant ethical requirements, including those pertaining to independence, relating to financial report audit engagements, and (b) all Australian Auditing Standards relevant to the audit. It also requires the auditor to comply with each requirement of an Australian Auditing Standard unless, in the circumstances of the audit, the entire Auditing Standard is not relevant or the requirement is not relevant because it is conditional and the condition does not exist; or application of the requirement(s) would relate to classes of transactions, account balances or disclosures that the auditor has determined are immaterial. In rare and exceptional circumstances, when there are factors outside the

⁹ See ASA 200, paragraph 13(f).

¹⁰ See ASA 210, paragraph 18.

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auditor's control that prevent the auditor from complying with a requirement, the auditor where possible, performs appropriate alternative audit procedures.¹¹

- A10. Application of some of the requirements of the Auditing Standards in an audit of a special purpose financial report may require special consideration by the auditor. For example, in ASA 320, judgements about matters that are material to users of the financial report are based on a consideration of the common financial information needs of users as a group.¹² In the case of an audit of a special purpose financial report, however, those judgements are based on a consideration of the financial information needs of the intended users.
- A11. In the case of a special purpose financial report, such as those prepared in accordance with the requirements of a contract, management may agree with the intended users on a threshold below which misstatements identified during the audit will not be corrected or otherwise adjusted. The existence of such a threshold does not relieve the auditor from the requirement to determine materiality in accordance with ASA 320 for purposes of planning and performing the audit of the special purpose financial report.
- A12. ASA 260 requires the auditor to determine the appropriate person(s) within the entity's governance structure with whom to communicate.¹³ ASA 260 notes that, in some cases, all of those charged governance are involved in managing the entity, and the application of the communication requirements is modified to recognise this position.¹⁴ When a general purpose financial report is also prepared by the entity, those person(s) responsible for the oversight of the preparation of the special purpose financial report may not be the same as those charged with governance responsible for the oversight of the preparation of that general purpose financial report.

Forming an Opinion and Reporting Considerations (Ref: Para. 11)

- A13. The Appendix to this Auditing Standard contains illustrations of independent auditors' reports on a special purpose financial report. Other illustrations of auditor's reports may be relevant to reporting on a special purpose financial report (see for example, the Appendices to ASA 700, ASA 705,¹⁵ ASA 570,¹⁶ ASA 720, and ASA 706¹⁷).

Application of ASA 700 When Reporting on a Special Purpose Financial Report

- A14. Paragraph 11 of this Auditing Standard explains that the auditor is required to apply ASA 700 when forming an opinion and reporting on a special purpose financial report. In doing so, the auditor is also required to apply the reporting requirements in other Auditing Standards and may find the special considerations addressed in paragraphs A15–A19 below helpful.

Going Concern

- A15. A special purpose financial report may or may not be prepared in accordance with a financial reporting framework for which the going concern basis of accounting is relevant (e.g., the going concern basis of accounting is not relevant for some financial report prepared on a tax basis in particular jurisdictions).¹⁸ Depending on the applicable financial reporting framework used in the preparation of the special purpose financial report, the description in the auditor's report of management's responsibilities¹⁹ relating to going concern may need to be adapted as necessary. The description in the auditor's report of the auditor's responsibilities²⁰ may also

¹¹ See ASA 200, paragraphs 14, 18 and Aus 23.1.

¹² See ASA 320 *Materiality in Planning and Performing an Audit*, paragraph 2.

¹³ ASA 260 *Communication with Those Charged with Governance*.

¹⁴ See ASA 260, paragraph A8.

¹⁵ ASA 705 *Modifications to the Opinion in the Independent Auditor's Report*.

¹⁶ ASA 570 *Going Concern*.

¹⁷ ASA 706 *Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report*.

¹⁸ See ASA 570 *Going Concern*, paragraph 2.

¹⁹ See ASA 700, paragraphs 34(b) and A48.

²⁰ See ASA 700, paragraph 39(b)(iv).

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need to be adapted as necessary depending on how ASA 570 applies in the circumstances of the engagement.

Key Audit Matters

- A16. ASA 700 requires the auditor to communicate key audit matters in accordance with ASA 701²¹ for audits of a general purpose financial report of listed entities. For audits of a special purpose financial report, ASA 701 only applies when communication of key audit matters in the auditor's report on the special purpose financial report is required by law or regulation or the auditor otherwise decides to communicate key audit matters. When key audit matters are communicated in the auditor's report on a special purpose financial report, ASA 701 applies in its entirety.²²

Other Information

- A17. ASA 720²³ deals with the auditor's responsibilities relating to other information. In the context of this Auditing Standard, reports containing or accompanying the special purpose financial report—the purpose of which is to provide owners (or similar stakeholders) with information on matters presented in the special purpose financial report—are considered to be annual reports for the purpose of ASA 720. In the case of a financial report prepared using a special purpose framework, the term “similar stakeholders” includes the specific users whose financial information needs are met by the design of the special purpose framework used to prepare the special purpose financial report. When the auditor determines that the entity plans to issue such a report, the requirements in ASA 720 apply to the audit of the special purpose financial report.

Name of the Engagement Partner

- A18. The requirement in ASA 700 for the auditor to include the name of the engagement partner in the auditor's report also applies to audits of a special purpose financial report of listed entities.²⁴ The auditor may be required by law or regulation to include the name of the engagement partner in the auditor's report or may otherwise decide to do so when reporting on a special purpose financial report of entities other than listed entities.

Inclusion of a Reference to the Auditor's Report on the General Purpose Financial Report

- A19. The auditor may deem it appropriate to refer, in an Other Matter paragraph in the auditor's report on the special purpose financial report, to the auditor's report on the general purpose financial report or to matter(s) reported therein (see ASA 706).²⁵ For example, the auditor may consider it appropriate to refer in the auditor's report on the special purpose financial report to a Material Uncertainty Related to Going Concern section included in the auditor's report on the general purpose financial report.

Alerting Readers that the Financial report is Prepared in Accordance with a Special Purpose Framework (Ref: Para. 14)

- A20. The special purpose financial report may be used for purposes other than those for which they were intended. For example, a regulator may require certain entities to place the special purpose financial report on public record. To avoid misunderstandings, the auditor alerts users of the auditor's report by including an Emphasis of Matter paragraph explaining that the financial report is prepared in accordance with a special purpose framework and, therefore, may not be suitable for another purpose. ASA 706 requires this paragraph to be included

²¹ ASA 701 *Communicating Key Audit Matters in the Independent Auditor's Report*.

²² See ASA 700, paragraph 31.

²³ ASA 720 *The Auditor's Responsibilities Relating to Other Information*.

²⁴ See ASA 700, paragraphs 45 and A56–A58.

²⁵ See ASA 706, paragraphs 10–11.

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within a separate section of the auditor's report with an appropriate heading that includes the term "Emphasis of Matter".²⁶

Restriction on Distribution or Use (Ref: Para. 14)

A21. In addition to the alert required by paragraph 14, the auditor may consider it appropriate to indicate that the auditor's report is intended solely for the specific users. Depending on the law or regulation of the particular jurisdiction, this may be achieved by restricting the distribution or use of the auditor's report. In these circumstances, the paragraph referred to in paragraph 14 may be expanded to include these other matters, and the heading modified accordingly (see illustrations in the Appendix to this Auditing Standard).

²⁶ See ASA 706, paragraph 9(a).

Appendix 1

(Ref: Para.A14)

Illustrations of Independent Auditor's Reports on a Special Purpose Financial Report

Illustration 1: An auditor's report on a financial report of an entity other than a listed entity prepared in accordance with the financial reporting provisions of a contract (for purposes of this illustration, a compliance framework).

Illustration 2: An auditor's report on a financial report of an entity other than a listed entity prepared in accordance with the tax basis of accounting in Jurisdiction X (for purposes of this illustration, a compliance framework).

Illustration 3:[Deleted by the AUASB.]

[Aus] Illustration 4: An auditor's report on a financial report prepared by a non-reporting entity under the *Corporations Act 2001* (for purposes of this illustration, a fair presentation framework).

[Aus] Illustration 5: An auditor's report on a financial report prepared by a not-for-profit incorporated association in accordance with the financial reporting provisions of the *applicable legislation* (for purposes of this illustration, a fair presentation framework).

Illustration 1: An auditor’s report on a financial report of an entity other than a listed entity prepared in accordance with the financial reporting provisions of a contract (for purposes of this illustration, a compliance framework).

For purposes of this illustrative auditor’s report, the following circumstances are assumed:

- The financial report has been prepared by management of the entity in accordance with the financial reporting provisions of a contract (that is, a special purpose framework). Management does not have a choice of financial reporting frameworks. The financial report is *not* prepared under the *Corporations Act 2001*.
- The applicable financial reporting framework is a compliance framework.
- An auditor’s report on the general purpose financial report was not issued.
- The terms of the audit engagement reflect the description of management’s responsibility for the financial report in ASA 210.
- The auditor has concluded an unmodified (i.e., “clean”) opinion is appropriate based on the audit evidence obtained.
- The relevant ethical requirements that apply to the audit are the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants*.
- Based on the audit evidence obtained, the auditor has concluded that a material uncertainty does not exist related to events or conditions that may cast significant doubt on the entity’s ability to continue as a going concern in accordance with ASA 570.
- Distribution and use of the auditor’s report are restricted.
- The auditor is not required, and has otherwise not decided, to communicate key audit matters in accordance with ASA 701.
- The auditor has determined that there is no other information (i.e., the requirements of ASA 720 do not apply).
- Those responsible for oversight of the financial reporting process differ from those responsible for the preparation of the financial report.
- The auditor has no other reporting responsibilities required under law or regulation.

INDEPENDENT AUDITOR’S REPORT

[Appropriate Addressee]

Opinion

We have audited the financial report of ABC Company (the Company), which comprises the balance sheet as at 31 December 20X1, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial report, including a summary of significant accounting policies and management’s assertion statement*.

In our opinion, the accompanying financial report of the Company for the year ended 31 December 20X1 is prepared, in all material respects, in accordance with the financial reporting

* Or other appropriate term.

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provisions of Section Z of the contract dated 1 January 20X1 between the Company and DEF Company (“the contract”).

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia, and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note X to the financial report, which describes the basis of accounting. The financial report is prepared to assist the Company in complying with the financial reporting provisions of the contract referred to above. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Company and DEF Company and should not be distributed to or used by parties other than the Company or DEF Company. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Report²⁷

Management is responsible for the preparation of the financial report in accordance with the financial reporting provisions of Section Z of the contract and for such internal control as management determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

Paragraph 41(b) of ASA 700 explains that the shaded material below can be located in an Appendix to the auditor’s report.

Paragraph 41(c) of ASA 700 explains that when law, regulation or national auditing standards expressly permit, reference can be made to a website of an appropriate authority that contains the description of the auditor’s responsibilities, rather than including this material in the auditor’s report, provided that the description on the website addresses, and is not inconsistent with, the description of the auditor’s responsibilities below. When the auditor refers to a description of the auditor’s

²⁷ Throughout these illustrative auditor’s reports, the terms management and those charged with governance may need to be replaced by another term that is appropriate in the context of the legal framework in the particular jurisdiction.

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responsibilities on a website, the appropriate authority is The Auditing and Assurance Standards Board and the website address is <http://www.auasb.gov.au/Home.aspx>

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.²⁸
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Signature**

[Date of the auditor's report][#]

[Auditor's address]

²⁸ This sentence would be modified, as appropriate, in circumstances when the auditor also has responsibility to issue an opinion on the effectiveness of internal control in conjunction with the audit of the financial report.

* The auditor's signature is either in the name of the audit firm, the personal name of the auditor or both, as appropriate.

The auditor's report is dated as of the date the auditor signs that report.

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Illustration 2: An auditor’s report on a financial report of an entity other than a listed entity prepared in accordance with the tax basis of accounting in Jurisdiction X (for purposes of this illustration, a compliance framework).

For purposes of this illustrative auditor’s report, the following circumstances are assumed:

- Audit of a financial report that has been prepared by management of a partnership in accordance with the tax basis of accounting in Jurisdiction X (that is, a special purpose framework) to assist the partners in preparing their individual income tax returns. Management does not have a choice of financial reporting frameworks. This financial report is *not* prepared under the *Corporations Act 2001*.
- The applicable financial reporting framework is a compliance framework.
- The terms of the audit engagement reflect the description of management’s responsibility for the financial report in ASA 210.
- The auditor has concluded an unmodified (i.e., “clean”) opinion is appropriate based on the audit evidence obtained.
- The relevant ethical requirements that apply to the audit are the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants*.
- Based on the audit evidence obtained, the auditor has concluded that a material uncertainty does not exist related to events or conditions that may cast significant doubt on the entity’s ability to continue as a going concern in accordance with ASA 570.
- Distribution of the auditor’s report is restricted.
- The auditor is not required, and has otherwise not decided, to communicate key audit matters in accordance with ASA 701.
- The auditor has determined that there is no other information (i.e., the requirements of ASA 720 do not apply).
- Those responsible for oversight of the financial report differ from those responsible for the preparation of the financial report.
- The auditor has no other reporting responsibilities required under law or regulation.

INDEPENDENT AUDITOR’S REPORT

[Appropriate Addressee]

Opinion

We have audited the financial report of ABC Partnership (the Partnership), which comprises the balance sheet as at 31 December 20X1 and the income statement for the year then ended, and notes to the financial report, including a summary of significant accounting policies and management’s assertion statement.

In our opinion, the accompanying financial report of the Partnership for the year ended 31 December 20X1 is prepared, in all material respects, in accordance with [*describe the applicable income tax law*] of Jurisdiction X.

* Or other term as appropriate.

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Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial report* section of our report. We are independent of the Partnership in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia, and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution

We draw attention to Note X to the financial report, which describes the basis of accounting. The financial report is prepared to assist the partners of the Partnership in preparing their individual income tax returns. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Partnership and its partners and should not be distributed to parties other than the Partnership or its partners. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Report²⁹

Management is responsible for the preparation of the financial report in accordance with the tax basis of accounting in Jurisdiction X and for such internal control as management determines is necessary to enable the preparation of financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Partnership’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

Paragraph 41(b) of ASA 700 explains that the shaded material below can be located in an Appendix to the auditor’s report. Paragraph 41(c) of ASA 700 explains that when law, regulation or national auditing standards expressly permit, reference can be made to a website of an appropriate authority that contains the description of the auditor’s responsibilities, rather than including this material in the auditor’s report, provided that the description on the website addresses, and is not inconsistent with, the description of the auditor’s responsibilities below. When the auditor refers to a description of the auditor’s responsibilities on a website, the appropriate authority is The Auditing and Assurance Standards Board and the website address is <http://www.auasb.gov.au/Home.aspx>

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

²⁹ Or other terms that are appropriate in the context of the legal framework in the particular jurisdiction

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- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the partnership's internal control.³⁰
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Partnership's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Partnership to cease to continue as a going concern.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

[Signature]^{*}

[Date of the auditor's report][#]

[Auditor's address]

³⁰ This sentence would be modified, as appropriate, in circumstances when the auditor also has responsibility to issue an opinion on the effectiveness of internal control in conjunction with the audit of the financial report.

^{*} The auditor's signature is either in the name of the audit firm, the personal name of the auditor or both, as appropriate.

[#] The auditor's report is dated as of the date the auditor signs that report.

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[Aus] **Illustration 4:** An auditor’s report on a financial report prepared by a non-reporting entity under the *Corporations Act 2001* (for purposes of this illustration, a fair presentation framework).

For purposes of this illustrative auditor’s report, the following circumstances are assumed:

- Audit of the financial report of a small proprietary company controlled by a foreign company and is required to lodge a financial report with the Australian Securities and Investments Commission (ASIC). The entity is a non-reporting entity.
- The financial report is prepared under the *Corporations Act 2001*.
- The applicable financial reporting framework is a fair presentation framework.
- The terms of the audit engagement reflect the description of the directors’ responsibility for the financial report in ASA 210.
- The auditor has concluded an unmodified (i.e., “clean”) opinion is appropriate based on the audit evidence obtained.
- The relevant ethical requirements that apply to the audit are the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants*.
- Based on the audit evidence obtained, the auditor has concluded that a material uncertainty does not exist related to events or conditions that may cast significant doubt on the company’s ability to continue as a going concern in accordance with ASA 570.
- Distribution and use of the auditor’s report is not restricted.
- The auditor is not required, and has otherwise not decided, to communicate key audit matters in accordance with ASA 701.
- No Other Information is expected to be obtained under the *Corporations Act 2001*, accordingly the auditor has determined that there is no other information (i.e., the requirements of ASA 720 do not apply).
- The auditor has no other reporting responsibilities required under local law or regulation.

INDEPENDENT AUDITOR’S REPORT

[Appropriate Addressee]

Opinion

We have audited the financial report of ABC Company (the Company), which comprises the statement of financial position as at 31 December 20X1, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors’ declaration.

In our opinion, the accompanying financial report of ABC Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the company’s financial position as at 31 December 20X1 and of its performance for the year then ended; and
- complying with Australian Accounting Standards to the extent described in Note X, and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor’s report*.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note X to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors’ financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note X to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors’ responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

[A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor’s report.]

* Or, alternatively, include statements (a) to the effect that circumstances have changed since the declaration was given to the relevant directors; and (b) setting out how the declaration would differ if it had been given to the relevant directors at the time the auditor’s report was made. [Section 307C (5A)(d) of the *Corporations Act 2001*].

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Paragraph 41(b) of ASA 700 explains that the shaded material below can be located in an Appendix to the auditor's report.

Paragraph 41(c) of ASA 700 explains that when law, regulation or national auditing standards expressly permit, reference can be made to a website of an appropriate authority that contains the description of the auditor's responsibilities, rather than including this material in the auditor's report, provided that the description on the website addresses, and is not inconsistent with, the description of the auditor's responsibilities below. When the auditor refers to a description of the auditor's responsibilities on a website, the appropriate authority is the Auditing and Assurance Standards Board and the website address is <http://www.auasb.gov.au/Home.aspx>

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

[Auditor's name and signature]*

[Name of Firm]

[Date of the auditor's report]#

[Auditor's address]

* The auditor is required, under the *Corporations Act 2001*, to sign the auditor's report in both their own name and the name of their firm [section 324AB(3)] or the name of the audit company [section 324AD(1)], as applicable.

The auditor's report is dated as of the date the auditor signs that report.

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[Aus] **Illustration 5:** An auditor’s report on a financial report prepared by a not-for-profit incorporated association in accordance with the financial reporting provisions of the *applicable legislation* (for purposes of this illustration, a fair presentation framework).

For purposes of this illustrative auditor’s report, the following circumstances are assumed:

- Audit of the financial report prepared by a not-for-profit incorporated association to meet the financial reporting requirements of the *applicable legislation*. Management does not have a choice of financial reporting frameworks.
- The applicable financial reporting framework is a fair presentation framework.
- The financial report is not prepared under the *Corporations Act 2001*.
- The terms of the audit engagement reflect the description of management’s responsibility for the financial report in ASA 210.
- The auditor has concluded an unmodified (i.e., “clean”) opinion is appropriate based on the audit evidence obtained.
- The relevant ethical requirements that apply to the audit are the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants*.
- Based on the audit evidence obtained, the auditor has concluded that a material uncertainty does not exist related to events or conditions that may cast significant doubt on the entity’s ability to continue as a going concern in accordance with ASA 570.
- Distribution and use of the auditor’s report is not restricted.
- The auditor is not required, and has otherwise not decided, to communicate key audit matters in accordance with ASA 701.
- No Other Information is expected to be obtained and the auditor has determined that there is no other information (i.e., the requirements of ASA 720 do not apply).
- Those responsible for oversight of the financial reporting process differ from those responsible for the preparation of the financial report.
- The auditor has no other reporting responsibilities required under local law or regulation.

INDEPENDENT AUDITOR’S REPORT

[Appropriate Addressee]

Opinion

We have audited the financial report of ABC Entity (the Entity), which comprises the statement of financial position as at 31 December 20X1, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and managements’ assertion statement .

In our opinion, the accompanying financial report presents fairly, in all material respects, (or *gives a true and fair view of*) the financial position of the Entity as at 31 December 20X1, and (of) its financial

* Or other appropriate description.

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performance and its cash flows for the year then ended in accordance with [the financial reporting requirements of the *applicable legislation*].

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note X to the financial report, which describes the basis of accounting. The financial report has been prepared to assist ABC Entity to meet the requirements of the *applicable legislation*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *applicable legislation* and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Entity’s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

Paragraph 41(b) of ASA 700 explains that the shaded material below can be located in an Appendix to the auditor’s report.

Paragraph 41(c) of ASA 700 explains that when law, regulation or national auditing standards expressly permit, reference can be made to a website of an appropriate authority that contains the description of the auditor’s responsibilities, rather than including this material in the auditor’s report, provided that the description on the website addresses, and is not inconsistent with, the description of the auditor’s responsibilities below. When the auditor refers to a description of the auditor’s responsibilities on a website, the appropriate authority is the Auditing and Assurance Standards Board and the website address is <http://www.auasb.gov.au/Home.aspx>

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

[Auditor's name and signature]*

[Date of the auditor's report]#

[Auditor's address]

* The auditor's signature is either in the name of the audit firm, the personal name of the auditor or both, as appropriate.

The auditor's report is dated as of the date the auditor signs that report.