

TABLES OF DIFFERENCES

ASA 810 [Revised and Redrafted]

ENGAGEMENTS TO REPORT ON SUMMARY FINANCIAL STATEMENTS

Extant ASA: ASA 800 *Special Considerations – The Auditor’s Report on Special Purpose Audit Engagements*

ISA ISA 810 *Engagements to Report on Summary Financial Statements* [Revised and Redrafted]

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<i>Key Statistics</i>			
Exhibit		No.	
1	New Requirements [Elevation of Guidance]	1	
1	New Requirements [no previous Equivalent in extant ASA]	12	
N/A	Total number of New Requirements	13	
2	Extant ASA Requirements covered in another standard[s]	-	

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Requirements in ISA’s not in Extant ASA

- *Exhibit 1 identifies Requirements in the redrafted ISA that are not present in the equivalent extant ASA*
- *Exhibit 1 does not identify Requirements that are identical; or similar but for differences in expression/wording*

Item #	ISA Para. #	ISA Requirements	Commentary	Accept in ASA Y/N?
Scope				
1	[ISA 810] 1.	1. This Auditing Standard deals with the auditor’s responsibilities to when undertaking an engagement to report on summary financial statements derived from financial statements audited in accordance with ISAs by that same auditor.	New Scope section included. Not inconsistent with Australian practice, or extant ASA 800’s scope. Suggest Adopt ISA.	
Objectives				
2	[ISA 810] 3	The objectives of the auditor are to: (a) Determine whether it is appropriate to accept the engagement to report on summary financial statements; (b) Form an opinion on the summary financial statements based on an evaluation of the conclusions drawn from the evidence obtained; and (c) Express clearly that opinion through a written report that also describes the basis for that opinion.	New Objectives included. Not inconsistent with extant ASA 800. Suggest Adopt ISA.	Y

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Item #	ISA Para. #	ISA Requirements	Commentary	Accept in ASA Y/N?
Definitions				
3	[ISA 810] 4	<p>For purposes of this ISA, the following terms have the meanings attributed below:</p> <p>(a) Applied criteria – The criteria applied by management in the preparation of the summary financial statements.</p> <p>(b) Audited financial statements – Financial statements audited by the auditor in accordance with ISAs, and from which the summary financial statements are derived.</p> <p>(c) Summary financial statements – Historical financial information that is derived from financial statements but that contains less detail than the financial statements, while still providing a structured representation consistent with that provided by the financial statements of the entity’s economic resources or obligations at a point in time or the changes therein for a period of time. Different jurisdictions may use different terminology to describe such historical financial information.</p>	<p>New Definitions included.</p> <p>Terminology consistent with extant ASA, except for “financial report” versus “financial statement”.</p> <p>Suggest Adopt ISA.</p>	
Engagement Acceptance				
4	[ISA 810] 6	<p>Before accepting an engagement to report on summary financial statements, the auditor shall: (Ref: Para. A2)</p> <p>(a) Determine whether the applied criteria are acceptable; (Ref: Para. A3-A7)</p>	<p>Requirement has no extant ASA equivalent.</p> <p>Not inconsistent with Australian practice.</p> <p>Suggest Adopt ISA.</p>	

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		<p>(b) Obtain the agreement of management that it acknowledges and understands its responsibility:</p> <ul style="list-style-type: none"> (i) For the preparation of the summary financial statements in accordance with the applied criteria; (ii) To make the audited financial statements available to the intended users of the summary financial statements without undue difficulty (or, if law or regulation provides that the audited financial statements need not be made available to the intended users of the summary financial statements and establishes the criteria for the preparation of the summary financial statements, to describe that law or regulation in the summary financial statements); and (iii) To include the auditor's report on the summary financial statements in any document that contains the summary financial statements and that indicates that the auditor has reported on them. <p>(c) Agree with management the form of opinion to be expressed on the summary financial statements (see paragraphs 9-11).</p>		
5	[ISA 810] 7	If the auditor concludes that the applied criteria are unacceptable or is unable to obtain the agreement of management set out in paragraph 6(b), the auditor shall not accept the engagement to report on the summary financial statements, unless required by law or regulation to do so. An engagement conducted in accordance with such law or regulation does not comply with this ISA. Accordingly, the auditor's report on the summary financial statements shall not indicate	<p>Requirement has no extant ASA equivalent.</p> <p>Not inconsistent with Australian practice.</p> <p>Suggest Adopt ISA.</p>	

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		<p>that the engagement was conducted in accordance with this ISA. The auditor shall include appropriate reference to this fact in the terms of the engagement. The auditor shall also determine the effect that this may have on the engagement to audit the financial statements from which the summary financial statements are derived.</p>		
Nature of Procedures				
6	[ISA 810] 8	<p>The auditor shall perform the following procedures, and any other procedures that the auditor may consider necessary, as the basis for the auditor’s opinion on the summary financial statements:</p> <p>(a) Evaluate whether the summary financial statements adequately disclose their summarized nature and identify the audited financial statements.</p> <p>(b) When summary financial statements are not accompanied by the audited financial statements, evaluate whether they describe clearly:</p> <p>(i) From whom or where the audited financial statements are available; or</p> <p>(ii) The law or regulation that specifies that the audited financial statements need not be made available to the intended users of the summary financial statements and establishes the criteria for the preparation of the summary financial statements.</p>	<p>(1) Shaded text is an elevation of extant ASA Explanatory Guidance.</p> <p>[Extant ASA 800 para 46—equivalent Explanatory Guidance]</p> <p>Suggest Adopt ISA.</p> <p>(2) Unshaded text has no extant ASA equivalent Requirement.</p> <p>Suggest Adopt ISA.</p>	

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		<p>(c) Evaluate whether the summary financial statements adequately disclose the applied criteria.</p> <p>(d) Compare the summary financial statements with the related information in the audited financial statements to determine whether the summary financial statements agree with or can be recalculated from the related information in the audited financial statements.</p> <p>(e) Evaluate whether the summary financial statements are prepared in accordance with the applied criteria.</p> <p>(f) Evaluate, in view of the purpose of the summary financial statements, whether the summary financial statements contain the information necessary, and are at an appropriate level of aggregation, so as not to be misleading in the circumstances.</p> <p>(g) Evaluate whether the audited financial statements are available to the intended users of the summary financial statements without undue difficulty, unless law or regulation provides that they need not be made available and establishes the criteria for the preparation of the summary financial statements. (Ref: Para. A8)</p>		
Form of Opinion				
7	[ISA 810] 9	When the auditor has concluded that an unmodified opinion on the summary financial statements is	(1) Shaded text is equivalent in meaning to extant ASA Requirement.	

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		<p>appropriate, the auditor’s opinion shall, unless otherwise required by law or regulation, use one of the following phrases: (Ref: Para. A9)</p> <p>(a) The summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with [the applied criteria]; or</p> <p>(b) The summary financial statements are a fair summary of the audited financial statements, in accordance with [the applied criteria].</p>	<p>[Extant ASA 800 para 48—equivalent Requirement]</p> <p>Suggest Adopt ISA.</p> <p>(2) Unshaded text has no extant ASA equivalent Requirement.</p> <p>Suggest Adopt ISA.</p>	
8	[ISA 810] 10-11	<p>10 If law or regulation prescribes the wording of the opinion on summary financial statements in terms that are different from those described in paragraph 9, the auditor shall:</p> <p>(a) Apply the procedures described in paragraph 8 and any further procedures necessary to enable the auditor to express the prescribed opinion; and</p> <p>(b) Evaluate whether users of the summary financial statements might misunderstand the auditor’s opinion on the summary financial statements and, if so, whether additional explanation in the auditor’s report on the summary financial statements can mitigate possible misunderstanding.</p> <p>11 If, in the case of paragraph 10(b), the auditor concludes that additional explanation in the auditor’s report on the summary financial statements cannot mitigate possible misunderstanding, the auditor shall not accept the engagement, unless required by law or regulation to</p>	<p>Requirement has no extant ASA equivalent.</p> <p>Not inconsistent with Australian practice.</p> <p>Suggest Adopt ISA.</p>	

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		do so. An engagement conducted in accordance with such law or regulation does not comply with this ISA. Accordingly, the auditor's report on the summary financial statements shall not indicate that the engagement was conducted in accordance with this ISA.		
		Timing of Work and Events Subsequent to the Date of the Auditor's Report on the Audited Financial Statement		
9	[ISA 810] 12-13	<p>12. The auditor's report on the summary financial statements may be dated later than the date of the auditor's report on the audited financial statements. In such cases, the auditor's report on the summary financial statements shall state that the summary financial statements and audited financial statements do not reflect the effects of events that occurred subsequent to the date of the auditor's report on the audited financial statements that may require adjustment of, or disclosure in, the audited financial statements. (Ref: Para. A10)</p> <p>13. The auditor may become aware of facts that existed at the date of the auditor's report on the audited financial statements, but of which the auditor previously was unaware. In such cases, the auditor shall not issue the auditor's report on the summary financial statements until the auditor's consideration of such facts in relation to the audited financial statements in accordance with ISA 560 (Redrafted) has been completed.</p>	<p>Requirement has no extant ASA equivalent.</p> <p>Not inconsistent with Australian practice.</p> <p>Suggest Adopt ISA.</p>	
	14	<p>Elements of the Auditor's Report</p> <p>14. The auditor's report on summary financial statements shall include the following elements:</p>	<p>(1) Shaded text has a conceptual difference to extant ASA.</p> <p>Extant ASA requires the auditor to signoff based on procedures required by the suite of Australian Auditing</p>	

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Item #	ISA Para. #	ISA Requirements	Commentary	Accept in ASA Y/N?
		<p>(Ref: Para. A15)</p> <p>(a) A title clearly indicating it as the report of an independent auditor. (Ref: Para. A11)</p> <p>(b) An addressee. (Ref: Para. A12)</p> <p>(c) An introductory paragraph that:</p> <ul style="list-style-type: none"> (i) Identifies the summary financial statements on which the auditor is reporting, including the title of each statement included in the summary financial statements; (Ref: Para. A13) (ii) Identifies the audited financial statements; (iii) Refers to the auditor’s report on the audited financial statements, the date of that report, and, subject to paragraphs 17-18, the fact that an unmodified opinion is expressed on the audited financial statements; (iv) If the date of the auditor’s report on the summary financial statements is later than the date of the auditor’s report on the audited financial statements, states that the summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of the auditor’s report on the audited financial statements; and 	<p>Standards rather than this specific standard.</p> <p>ASA 800 [para 48]: “A statement that the auditor is responsible for expressing an opinion on the summary financial statements based on the procedures required by Australian Auditing Standards and with reference to relevant ethical requirements relating to audit engagements.”</p> <p>No practical implications perceived from amendment to signoff given the auditor is merely performing report on summary financial statements which have been extracted from a financial report that has already been audited by the auditor in compliance with the suite of Auditing Standards.</p> <p>Suggest adopt ISA.</p> <p>(2) Unshaded text is equivalent in meaning to extant ASA [Extant ASA 800, para 48-Equivalent Requirement]</p>	

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		<p>(v) A statement indicating that the summary financial statements do not contain all the disclosures required by the financial reporting framework applied in the preparation of the audited financial statements, and that reading the summary financial statements is not a substitute for reading the audited financial statements.</p> <p>(d) A description of management’s responsibility for the summary financial statements, explaining that management is responsible for the preparation of the summary financial statements in accordance with the applied criteria.</p> <p>(e) A statement that the auditor is responsible for expressing an opinion on the summary financial statements based on the procedures required by this ISA.</p> <p>(f) A paragraph clearly expressing an opinion (see paragraphs 9-11).</p> <p>(g) The auditor’s signature.</p> <p>(h) The date of the auditor’s report. (Ref: Para. A14)</p> <p>(i) The auditor’s address.</p>		
10	[ISA 810] 15-16	15. If the addressee of the summary financial statements is not the same as the addressee of the auditor’s report on the audited financial	Requirement has no extant ASA equivalent. Not inconsistent with Australian practice.	

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		<p>statements, the auditor shall evaluate the appropriateness of using a different addressee. (Ref: Para. A12)</p> <p>16. The auditor shall date the auditor’s report on the summary financial statements no earlier than: (Ref: Para. A14)</p> <p>(a) The date on which the auditor has obtained sufficient appropriate evidence on which to base the opinion, including evidence that the summary financial statements have been prepared and those with the recognized authority have asserted that they have taken responsibility for them; and</p> <p>(b) The date of the auditor’s report on the audited financial statements.</p>	<p>Suggest Adopt ISA.</p>	
11	[ISA 810] 18-19	<p>18. When the auditor’s report on the audited financial statements contains an adverse opinion or a disclaimer of opinion, the auditor’s report on the summary financial statements shall, in addition to the elements in paragraph 14:</p> <p>(a) State that the auditor’s report on the audited financial statements contains an adverse opinion or disclaimer of opinion;</p> <p>(b) Describe the basis for that adverse opinion or disclaimer of opinion; and</p> <p>(c) State that, as a result of the adverse opinion or disclaimer of opinion, it is inappropriate to express an opinion on the summary financial statements.</p>	<p>Requirements have no extant ASA equivalent.</p> <p>Not inconsistent with Australian practice.</p> <p>Suggest Adopt ISA.</p>	

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		<p><i>Modified Opinion on the Summary Financial Statements</i></p> <p>19. If the summary financial statements are not consistent, in all material respects, with or are not a fair summary of the audited financial statements, in accordance with the applied criteria, and management does not agree to make the necessary changes, the auditor shall express an adverse opinion on the summary financial statements. (Ref: Para. A15)</p>		
Restriction on Distribution or Use or Alerting Readers to the Basis of Accounting				
12	[ISA 810] 20	When distribution or use of the auditor's report on the audited financial statements is restricted, or the auditor's report on the audited financial statements alerts readers that the audited financial statements are prepared in accordance with a special purpose framework, the auditor shall include a similar restriction or alert in the auditor's report on the summary financial statements.	Requirement has no extant ASA equivalent. Not inconsistent with Australian practice. Suggest Adopt ISA.	
Comparatives				
13	[ISA 810] [21-22]	21. If the audited financial statements contain comparatives, but the summary financial statements do not, the auditor shall determine whether such omission is reasonable in the circumstances of the engagement. The auditor shall determine the effect of an unreasonable omission on the auditor's report on the summary financial statements. (Ref: Para. A16)	Requirements have no extant ASA equivalent. Not inconsistent with Australian practice. Suggest Adopt ISA.	

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		22. If the summary financial statements contain comparatives that were reported on by another auditor, the auditor's report on the summary financial statements shall also contain the matters that ISA 710 (Redrafted) requires the auditor to include in the auditor's report on the audited financial statements. (Ref: Para. A17)		
Unaudited Supplementary Information Presented with Summary Financial Statements				
14	[ISA 810] 23	The auditor shall evaluate whether any unaudited supplementary information presented with the summary financial statements is clearly differentiated from the summary financial statements. If the auditor concludes that the entity's presentation of the unaudited supplementary information is not clearly differentiated from the summary financial statements, the auditor shall ask management to change the presentation of the unaudited supplementary information. If management refuses to do so, the auditor shall explain in the auditor's report on the summary financial statements that such information is not covered by that report. (Ref: Para. A18)	Requirement has no extant ASA equivalent. Not inconsistent with Australian practice. Suggest Adopt ISA.	
Other Information in Documents Containing Summary Financial Statements				
15	[ISA 810] 24	The auditor shall read other information included in a document containing the summary financial statements and related auditor's report to identify material inconsistencies, if any, with the summary financial statements. If, on reading the other information, the auditor identifies a material inconsistency, the auditor shall determine whether the summary financial	Requirement has no extant ASA equivalent. Not inconsistent with Australian practice. Suggest Adopt ISA.	

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		statements or the other information needs to be revised. If, on reading the other information, the auditor becomes aware of an apparent material misstatement of fact, the auditor shall discuss the matter with management. (Ref: Para. A19)		
Auditor Association				
16	[ISA 810] 25-26	<p>25. If the auditor becomes aware that the entity plans to state that the auditor has reported on summary financial statements in a document containing the summary financial statements, but does not plan to include the related auditor's report, the auditor shall request management to include the auditor's report in the document. If management does not do so, the auditor shall determine and carry out other appropriate actions designed to prevent management from inappropriately associating the auditor with the summary financial statements in that document. (Ref: Para. A20)</p> <p>26. The auditor may be engaged to report on the financial statements of an entity, while not engaged to report on the summary financial statements. If, in this case, the auditor becomes aware that the entity plans to make a statement in a document that refers to the auditor and the fact that summary financial statements are derived from the financial statements audited by the auditor, the auditor shall be satisfied that:</p> <p>(a) The reference to the auditor is made in the context of the auditor's report on the audited financial statements; and</p> <p>(b) The statement does not give the impression</p>	<p>Requirement has no extant ASA equivalent.</p> <p>Not inconsistent with Australian practice.</p> <p>Suggest Adopt ISA.</p>	

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		<p>that the auditor has reported on the summary financial statements.</p> <p>If (a) or (b) are not met, the auditor shall request management to change the statement to meet them, or not to refer to the auditor in the document. Alternatively, the entity may engage the auditor to report on the summary financial statements and include the related auditor’s report in the document. If management does not change the statement, delete the reference to the auditor, or include an auditor’s report on the summary financial statements in the document containing the summary financial statements, the auditor shall advise management that the auditor disagrees with the reference to the auditor, and the auditor shall determine and carry out other appropriate actions designed to prevent management from inappropriately referring to the auditor. (Ref: Para. A20)</p>		

Draft

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Requirements in Extant ASA not in ISA’s

- *Exhibit 2 identifies Requirements in the extant ASA that are not present in the equivalent redrafted ISA*
- *Exhibit 2 does not identify Requirements that are identical; or similar but for differences in expression [wording]*

Item #	Extant ASA Para. #	Extant ASA Requirement	Commentary	Accept in ASA Y/N?
Not Retained in ASA [Revised & Redrafted]				
Retained in ASA [Revised & Redrafted] Reason 1: [Only when requirement necessary for Australian legislation or regulation reasons]				
Retained in ASA [Revised & Redrafted] Reason 2: [Only when requirement necessary for legislative instrument reasons]				
Retained in ASA [Revised & Redrafted] Reason 3: [Only when requirement necessary for public interest reasons and no inconsistency with the ISA]				

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Significant Differences in Guidance — ISA’s and Extant ASA

- *Exhibit 3 identifies significant differences between the Application and Other Explanatory Material (guidance) in the redrafted ISA and the Explanatory Guidance in the equivalent extant ASA.*
- *Exhibit 3 does not identify guidance that is identical; or similar but for differences in expression/wording*

Item #	ISA/ASA Para. #	Guidance	Commentary	Accept in ASA Y/N?
PART A – ISA				
1	[ISA 810] A1-A20	<p>All Explanatory Guidance</p> <p>Engagement Acceptance (Ref: Para. 5-6)</p> <p>A1. The audit of the financial statements from which the summary financial statements are derived provides the auditor with the necessary knowledge to discharge the auditor’s responsibilities in relation to the summary financial statements in accordance with this ISA. Application of this ISA will not provide sufficient appropriate evidence on which to base the opinion on the summary financial statements if the auditor has not also audited the financial statements from which the summary financial statements are derived.</p> <p>A2. Management’s agreement with the matters described in paragraph 6 may be evidenced by its written acceptance of the terms of the engagement.</p>	<p>New Explanatory Guidance in ISA.</p> <p>Quality of standard would be reduced if this guidance is removed. This guidance does not conflict with Australian practice.</p> <p>Suggest Adopt ISA.</p>	

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		<p>Criteria (Ref: Para. 6(a))</p> <p>A3. Management is responsible for the determination of the information that needs to be reflected in the summary financial statements so that they are consistent, in all material respects, with or represent a fair summary of the audited financial statements. Because summary financial statements by their nature contain aggregated information and limited disclosure, there is an increased risk that they may not contain the information necessary so as not to be misleading in the circumstances. This risk increases when established criteria for the preparation of summary financial statements do not exist.</p> <p>A4. Factors that may affect the auditor's determination of the acceptability of the applied criteria include:</p> <ul style="list-style-type: none"> • The nature of the entity; • The purpose of the summary financial statements; • The information needs of the intended users of the summary financial statements; and • Whether the applied criteria will result in summary financial statements that are not misleading in the circumstances. 		

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		<p>A5. The criteria for the preparation of summary financial statements may be established by an authorized or recognized standards setting organization or by law or regulation. Similar to the case of financial statements, as explained in ISA 210 (Redrafted), in many such cases, the auditor may presume that such criteria are acceptable.</p> <p>A6. Where established criteria for the preparation of summary financial statements do not exist, criteria may be developed by management, for example, based on practice in a particular industry. Criteria that are acceptable in the circumstances will result in summary financial statements that:</p> <ul style="list-style-type: none"> (a) Adequately disclose their summarized nature and identify the audited financial statements; (b) Clearly describe from whom or where the audited financial statements are available or, if law or regulation provides that the audited financial statements need not be made available to the intended users of the summary financial statements and establishes the criteria for the preparation of the summary financial statements, that law or regulation; (c) Adequately disclose the applied criteria; (d) Agree with or can be recalculated from the related information in the audited 		

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		<p>financial statements; and</p> <p>(e) In view of the purpose of the summary financial statements, contain the information necessary, and are at an appropriate level of aggregation, so as not to be misleading in the circumstances.</p> <p>A7. Adequate disclosure of the summarized nature of the summary financial statements and the identity of the audited financial statements, as referred to in paragraph A6(a), may, for example, be provided by a title such as “Summary Financial Statements Prepared from the Audited Financial Statements for the Year Ended December 31, 20X1.”</p> <p>Evaluating the Availability of the Audited Financial Statements (Ref: Para. 8(g))</p> <p>A8. The auditor’s evaluation whether the audited financial statements are available to the intended users of the summary financial statements without undue difficulty is affected by factors such as whether:</p> <ul style="list-style-type: none"> • The summary financial statements describe clearly from whom or where the audited financial statements are available; 		

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		<ul style="list-style-type: none"> • The audited financial statements are on public record; or • Management has established a process by which the intended users of the summary financial statements can obtain ready access to the audited financial statements. <p>Form of Opinion (Ref: Para. 9)</p> <p>A9. A conclusion, based on an evaluation of the evidence obtained by performing the procedures in paragraph 8, that an unmodified opinion on the summary financial statements is appropriate enables the auditor to express an opinion containing one of the phrases in paragraph 9. The auditor’s decision as to which of the phrases to use may be affected by generally accepted practice in the particular jurisdiction.</p> <p>Timing of Work and Events Subsequent to the Date of the Auditor’s Report on the Audited Financial Statements (Ref: Para. 12)</p> <p>A10. The procedures described in paragraph 8 are often performed during or immediately after the audit of the financial statements. When the auditor reports on the summary financial statements after the completion of the audit of the financial statements, the auditor is not required to obtain additional audit evidence on the audited financial statements, or report on the effects of events that occurred subsequent to the date of the auditor’s report</p>		

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		<p>on the audited financial statements since the summary financial statements are derived from the audited financial statements and do not update them.</p> <p>Auditor’s Report on Summary Financial Statements</p> <p><i>Elements of the Auditor’s Report</i></p> <p>Title (Ref: Para. 14(a))</p> <p>A11. A title indicating the report is the report of an independent auditor, for example, “Report of the Independent Auditor”, affirms that the auditor has met all of the relevant ethical requirements regarding independence. This distinguishes the report of the independent auditor from reports issued by others.</p> <p>Addressee (Ref: Para. 14(b), 15)</p> <p>A12. Factors that may affect the auditor’s evaluation of the appropriateness of the addressee of the summary financial statements include the terms of the engagement, the nature of the entity, and the purpose of the summary financial statements.</p> <p>Introductory Paragraph (Ref: Para. 14(c)(i))</p> <p>A13. When the auditor is aware that the summary</p>		

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		<p>financial statements will be included in a document that contains other information, the auditor may consider, if the form of presentation allows, identifying the page numbers on which the summary financial statements are presented. This helps readers to identify the summary financial statements to which the auditor’s report relates.</p> <p>Date of the Auditor’s Report (Ref: Para. 14(h), 16)</p> <p>A14. The person or persons with recognized authority to conclude that the summary financial statements have been prepared and take responsibility for them depend on the terms of the engagement, the nature of the entity, and the purpose of the summary financial statements.</p> <p>Illustrations (Ref: Para.14. 17-18,19)</p> <p>A15. The Appendix to this ISA contains illustrations of auditors’ reports on summary financial statements that:</p> <ul style="list-style-type: none"> (a) Contain unmodified opinions; (b) Are derived from audited financial statements on which the auditor issued modified opinions; and (c) Contain a modified opinion. <p>Comparatives (Ref: Para. 21-22)</p> <p>A16. If the audited financial statements contain comparatives, there is a presumption that the</p>		

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		<p>summary financial statements also would contain comparatives. Comparatives in the audited financial statements may be regarded as corresponding figures or as comparative financial information. ISA 710 (Redrafted) describes how this difference affects the auditor's report on the financial statements, including, in particular, reference to other auditors who audited the financial statements for the prior period.</p> <p>A17. Circumstances that may affect the auditor's determination whether an omission of comparatives is reasonable include the nature and objective of the summary financial statements, the applied criteria, and the information needs of the intended users of the summary financial statements.</p> <p>Unaudited Supplementary Information Presented with Summary Financial Statements (Ref: Para. 23)</p> <p>A18. ISA 700 (Redrafted) contains requirements and guidance to be applied when unaudited supplementary information is presented with audited financial statements that, adapted as necessary in the circumstances, may be helpful in applying the requirement in paragraph 23.</p> <p>Other Information in Documents Containing Summary Financial Statements (Ref: Para. 24)</p>		

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		<p>A19. ISA 720 (Redrafted) contains requirements and guidance relating to reading other information included in a document containing the audited financial statements and related auditor’s report, and responding to material inconsistencies and material misstatements of fact. Adapted as necessary in the circumstances, they may be helpful in applying the requirement in paragraph 24.</p> <p>Auditor Association (Ref: Para. 25-26)</p> <p>A20. Other appropriate actions the auditor may take when management does not take the requested action may include informing the intended users and other known third-party users of the inappropriate reference to the auditor. The auditor’s course of action depends on the auditor’s legal rights and obligations. Consequently, the auditor may consider it appropriate to seek legal advice.</p>		
PART B – ASA				
Retained in ASA [Revised & Redrafted] Reason 1: [Only when requirement necessary for Australian legislation or regulation reasons]				
Retained in ASA [Revised & Redrafted] Reason 2: [Only when requirement necessary for legislative instrument reasons]				
Retained in ASA [Revised & Redrafted] Reason 3: [Only when Requirement is deemed necessary for public interest reasons and is not inconsistent]				

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Item #	ISA/ASA Para. #	Guidance	Commentary	Accept in ASA Y/N?
with the ISA]				

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EXHIBIT 4

Significant Differences in Appendices — ISA’S and Extant ASA

- *Exhibit 4 identifies significant differences between the Appendices in the redrafted ISA and the Appendices in the equivalent extant ASA.*
- *Exhibit 4 does not identify Appendices that are identical; or similar but for differences in expression/wording*

Item #	ISA/ASA Para. #	Appendix	Commentary	Accept in ASA? Y/N
1	ISA Appendix	<p>Illustration 2: An auditor’s report on summary financial statements prepared in accordance with criteria developed by management and adequately disclosed in the summary financial statements. The auditor has determined that the applied criteria are acceptable in the circumstances. An unmodified opinion is expressed on the audited financial statements.</p> <p>Illustration 3: An auditor’s report on summary financial statements prepared in accordance with criteria developed by management and adequately disclosed in the summary financial statements. The auditor has determined that the applied criteria are acceptable in the circumstances. A qualified opinion is expressed on the audited financial statements.</p> <p>Illustration 4: An auditor’s report on summary financial statements prepared in accordance with criteria developed by management and adequately disclosed in the summary financial statements. The auditor has determined that the applied criteria are acceptable in the circumstances. An adverse opinion is expressed on the audited financial statements.</p>	<p>Not included in extant ASA</p> <p>Quality of standard would be reduced if this Appendix is removed. This Appendix does not conflict with Australian practice.</p> <p>Suggest Adopt ISA.</p>	

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		<p>Illustration 5: An auditor's report on summary financial statements prepared in accordance with established criteria. An unmodified opinion is expressed on the audited financial statements. The auditor concludes that it is not possible to express an unmodified opinion on the summary financial statements.</p>		
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