

**ASA 2021-4**  
(September 2021)

**Auditing Standard ASA 2021-4**  
*Amendments to Australian 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**  

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**Auditing and Assurance Standards Board**

## **Obtaining a Copy of this Auditing Standard**

This Auditing Standard is available on the Auditing and Assurance Standards Board (AUASB) website: [www.auasb.gov.au](http://www.auasb.gov.au)

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## PREFACE

### **Reasons for Issuing ASA 2021-4**

The AUASB issues Auditing Standard ASA 2021-4 *Amendments to Australian 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 a non-corporate Commonwealth entity 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 *Legislation 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 makes amendments to the application and other explanatory material and appendices of the following Auditing Standard:

ASA 800      *Special Considerations – Audits of Financial Reports Prepared in Accordance with Special Purpose Frameworks* (Issued July 2016 and amended to June 2020)

The amendments arise from changes to the Australian Accounting Standards (AAS) impacting the ability for certain for-profit entities to prepare Special Purpose Financial Statements (SPFS).

**Auditing Standard ASA 2021-4**

***Amendments to Australian Auditing Standard ASA 800 Special Considerations – Audits of Financial Reports Prepared in Accordance with Special Purpose Frameworks***

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**AUTHORITY STATEMENT**

The Auditing and Assurance Standards Board (AUASB) makes this Auditing Standard ASA 2021-4 *Amendments to Australian 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*.

Dated: 7 September 2021

W R Edge  
Chair - AUASB

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***Amendments to Australian Auditing Standard ASA 800 Special Considerations – Audits of Financial Reports Prepared in Accordance with Special Purpose Frameworks***

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**Conformity with International Standards on Auditing**

This Auditing Standard has been made for Australian legislative purposes and accordingly there is no equivalent International Standard on Auditing (ISA) issued by the International Auditing and Assurance Standards Board (IAASB), an independent standard-setting board of the International Federation of Accountants (IFAC).

## AUDITING STANDARD ASA 2021-4

### *Amendments to Australian Auditing Standard ASA 800 Special Considerations – Audits of Financial Reports Prepared in Accordance with Special Purpose Frameworks*

#### **Application**

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

#### **Operative Date**

3. This Auditing Standard is operative for financial reporting periods commencing on or after 1 July 2021.

#### **Introduction**

##### **Scope of this Auditing Standard**

4. This Auditing Standard makes amendments to Australian Auditing Standard ASA 800 *Special Considerations – Audits of Financial Reports Prepared in Accordance with Special Purpose Frameworks* made under Section 336 of the *Corporations Act 2001* as a result of changes to the Australian Accounting Standards (AAS) impacting the ability for certain for-profit entities to prepare Special Purpose Financial Statements (SPFS).

#### **Objective**

5. The objective of this Auditing Standard is to make amendments to Australian Auditing Standard ASA 800 *Special Considerations – Audits of Financial Reports Prepared in Accordance with Special Purpose Frameworks* (Issued July 2016 and amended to June 2020).

#### **Definition**

6. For the purposes of this Auditing Standard, the meanings of terms are set out in each Auditing Standard and in the *AUASB Glossary*. This Auditing Standard does not introduce new definitions.

#### **Amendments to Auditing Standard**

7. This Standard uses underlining, striking out and other typographical material to identify the amendments to Auditing Standards, in order to make the amendments more understandable. However, the amendments made by this Standard do not include that underlining, striking out or other typographical material. Amended paragraphs are shown with deleted text struck through and new text underlined. Ellipses (...) are used to help provide the context within which amendments are made and also to indicate text that is not amended.

**Amendments to ASA 800**

8. The existing text of paragraph Aus A1.1 is amended to read as follows:

~~The *Corporations Act 2001*, \* other applicable law or regulation, or certain parties, may determine whether a financial report is required to be prepared and whether compliance with Australian Accounting Standards is required. Australian Accounting Standards set out requirements for General Purpose Financial Statements. 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. In some circumstances, entities are permitted to prepare Special Purpose Financial Statements as defined in Accounting Standard AASB 1054 *Australian Additional Disclosures*. Such circumstances include for-profit private sector entities required only by their constituting document or another document (e.g., a loan agreement) to prepare financial statements that comply with Australian Accounting Standards, provided that the relevant document was created or last amended before 1 July 2021, as well as not-for-profit entities that assess themselves to be non-reporting entities. 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.~~

*Amendments to ASA 800 Appendix 1*

9. Existing Appendix 1 of this Auditing Standard is amended to read as follows:

**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).

...

~~[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). [Deleted by the AUASB as a result of changes to the Australian Accounting Standards impacting the ability for certain for-profit entities to prepare Special Purpose Financial Statements.]<sup>#</sup>~~

...

10. As a result of the amendment above, existing [Aus] Illustration 4 is deleted.

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<sup>#</sup> See AASB 2020-2 *Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities*.