

ISA 700

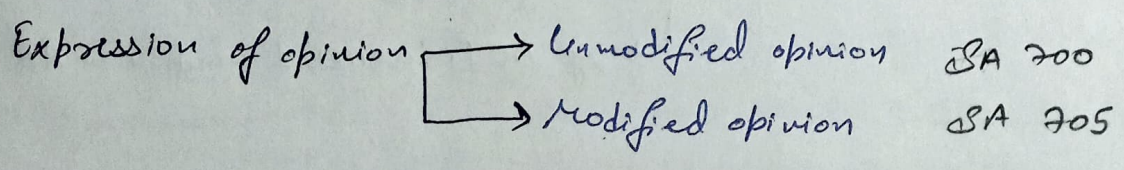
Forming opinion & Reporting on F.S.

* Objective of auditor → Forming an opinion on the F.S. based on conclusion drawn from evidence obtained & expressing clearly the opinion through written report.

* General purpose framework

Fair Presentation Framework	Compliance Framework
Eg: Reliance Company audit ↳ Audit Procedure ↳ ISA ↳ Evaluate ↳ opinion ↓ F.S. are giving true & fair view opinion F.S. presented in accordance with applicable FRF and free from mat. misstatement	Reliance → F.S. are prepared as per applicable FRF i.e. Compliance framework → opinion only on compliance

Opinion	Opinion
• Consider ISA Audit Evidence	✓
• Uncorrected mis-statement → material	✓
• Disclosure in F.S.	✓
• Accounting estimate	✓
• Reliability of financial information	✓
• Terminology used	✓
• Overall presentation, structure & content	X
• F.S. represent underlying transaction	X



* Content of Auditor Report

- 1) Title
- 2) Address
- 3) Auditor opinion
 - 3.1)
 - Identify entity
 - F.S. audited, Date & period
 - Component of F.S.
 - Notes
 - 3.2)
 - FRF Framework
 - Compliance framework
- 4) Basis for opinion
 - SA's follow
 - Auditor responsibility
 - Ethical requirement
 - SA's Audit evidence obtained

(SA 200)
- 5) Going Concern
- 6) Key Audit Matters (SA 701)
- 7) Responsibility for the F.S.
 - Prepare the F.S.
 - Internal Control
 - Going Concern
 - F.S. giving true & fair

(SA 210)
- 8) Audit Responsibility
 - Objective
 - Reasonable assurance
 - Misstatement
 - Fraud
 - Errors

In body of AR
or
In appendix
or
on website
- 9) Other Reporting Responsibility
- 10) Signature of the auditor
- 11) Place of signature
- 12) Date of the audit report

- * Supplement Information
- Integral part of F.S. → Information should be covered under opinion
 - Not the integral part of F.S.
 - Information should be differentiated from F.S.
 - If NOT, discuss & mention in AR