

SA710

Jan 25

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Date: / /"Comparative Info" - Corresponding figures & Comparative FSComparative Information

The amounts and disclosures included in the FS
in respect of one or more prior periods in accordance
with AFRP. (PY, Previous to PY)

Corresponding figures

Comparative info where amounts and other disclosures for the prior period are included as an integral part of the current period FS and are intended to be read only in relation to the amounts and other disclosures relating to the current period (referred to as "current period figures").

The level of detail presented in the corresponding amounts & disclosures is dictated primarily by its relevance to the current period figures.

Comparative financial statements

Comparative info where amounts and other disclosures for the prior period are included for comparison with the FS of the current period but, if audited, are referred to in the auditor's opinion. The level of info included in these comparative FS is comparable with that of the FS of the current period.

Audit Reporting (Difference betwⁿ two approaches)

Comparative FS → Auditor's opinion refers to each period for which FS are presented & on which audit opinion is expressed.

Corresponding figures → Auditor's opinion on FS refers to current period only.

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Sec 1

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e FS"

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Sec 143SUMMARY

SA 510: opening Bal tracing & applying policies consistently

SA 560: complied with subsequent event requirements ("in cases of subsequent events")

SA 580: obtain written representation.

Statement

Board approach

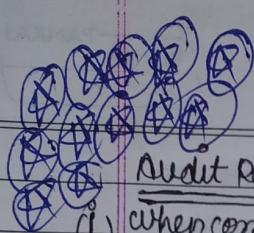
NOV 23

- The nature of the "Comparative info" that is presented in an entity's FS depends on the requirement of AFAP.
- There are 2 diffⁿ board approaches to the auditor's reporting responsibilities in respect of such comparative info.

④

⑤

The approach to be adopted is often specified by law or regulations but may also be specified in terms of engagement.



may 22

Nov 19

Audit Reporting regarding Corresponding figures

(i) When corresponding figures are presented, the auditor's opinion shall not refer to the corresponding figures except in the following circumstances:

① When auditor report on prior period included a modified opinion due to a matter, which remains unresolved and also has a material effect on entity's current period FS. Then auditor shall modify his opinion on current period FS and include the following under basis for modified opening heading: (eg → depreciation)

- Auditor shall refer to both current period figure & corresponding figure while describing the matter which gave rise to modification.
- he can also mention / explain why the matter is still unresolved and quantity its effect / possible effect on current period & previous period FS.

② If auditor obtains AT that a mis exists in the Prior Period FS in which an unmodified opinion has been previously issued then auditor should verify whether such mis is appropriately dealt (adjusted or disclosed) in accordance with AFR. If not then auditor shall express a modified opinion in the current period.

③ When Prior period FS are not audited then auditor shall state in OM paragraph that corresponding figures are unaudited. However, such a statement does not relieve the auditor from his responsibilities mentioned under SA 510 i.e. obtain SATF regarding op bal.

auditor's responsibility to include OM paragraph when Prior period FS were audited by a predecessor auditor (another auditor).

last year's impact
materiality
reference to prior period
last year's effect
2nd year's continue
give modified opinion

SA 510 assumption
last year's audit report
clean opinion then
initial audit engagement
initial audit check
prior period FS
reliability of prior period
last year's impact
ex impact → modified opinion

Prior Period
audited by
predecessor
auditor
type of opinion
if modified
scale
date of
that report

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Audit Reporting regarding Comparative FS

(i) When reporting on prior period FS in connection with current period audit, if the auditor's opinion on such prior period FS differs from the opinion the auditor previously expressed, the auditor shall disclose the substantive reasons for the diffⁿ opinion in an OM paragraph in accordance with SA 706, in current period audit report.

(ii) If the auditor concludes that a mis exists that affects the prior period FS on which the predecessor auditor had previously reported without modification, the auditor shall communicate the mis with appropriate level of mgmt & TC and request that the predecessor auditor be informed. If prior period FS are amended, & the predecessor auditor agrees to issue a new auditor's report on the amended FS of the prior period, the auditor shall report only on the current period.

(iii) If the prior period FS were not audited, the auditor shall state in OM paragraph that the comparative FS are unaudited. Such a statement does not, however, relieve the auditor of the requirement to obtain SAE that the opening bal does not contain mis that materially affect the current period's FS.

NOV 22 - 4 marks.

(iv) If the FS of the prior period were audited by a predecessor auditor, in addition to expressing an opinion on the current period's FS, the auditor shall state in an OM paragraph.

1) That the FS of the prior period were audited by predecessor auditor.

(v) The type of opinion expressed by PA & if the opinion was modified - reason.

(vi) The date of audit report.

unless, the PA's report on prior period's FS is revised with the FS.