

COMPARATIVE INFORMATION — CORRESPONDING FIGURES AND COMPARATIVE FINANCIAL STATEMENTS: CAS 710

Audit Procedures

- Determine whether the F/S include the comparative information required by the applicable financial reporting framework and whether such information is appropriately classified
- Evaluate whether:
 1. The comparative information **agrees with the amounts and disclosures presented in the prior period** or, when appropriate, have been restated; and
 2. The **accounting policies** used in the comparative information are **consistent** with those used in the current period or, if there have been changes in **accounting policies**, whether those **changes have been properly accounted for, presented and disclosed**
- If the auditor becomes **aware of a possible material misstatement** in the comparative information, perform additional audit procedures to determine whether a material misstatement exists
- If the auditor also audited the prior year F/S, follow CAS 560 – Subsequent Events
- **If the prior period F/S are amended**, determine that the comparative information agrees with the amended F/S
- Request **written representations for all periods** referred to in the auditor's opinion
- Obtain a **specific written representation** regarding any **restatement made to correct** a material misstatement in prior period F/S that affect the comparative information

Audit Reporting

- The auditor's opinion should not refer to the corresponding figures, except when:
 - If the auditor's report on the prior period, included a **qualified opinion**, a **disclaimer of opinion**, or an **adverse opinion** and the matter which gave rise to the modification is unresolved; in such cases **modify the auditor's opinion** on the current period's F/S
 - If the above applies, in the basis for modification paragraph:
 1. Refer to both the current period's figures and the corresponding figures when the **effects of the matter on the current period's figures are material**; or
 2. **In other cases**, explain that the audit opinion has been modified because of the effects of the unresolved matter on the comparability of the current period's figures and the corresponding figures
- If the auditor obtains audit evidence that a **material misstatement exists in the prior period F/S** on which an **unmodified opinion was previously issued**, and the **corresponding figures have not been properly restated** or appropriate disclosed, express a **qualified opinion** or an **adverse opinion** in the auditor's report on the current period F/S
- If the F/S of the prior period were **audited by a predecessor auditor**, state in an Other Matter paragraph in the auditor's report:
 1. That the F/S of the prior period were **audited by the predecessor auditor**;
 2. The type of **opinion expressed** by the predecessor auditor and, if the opinion was modified, the reasons for the modification
 3. The **date** of that report
- **If the prior period F/S were not audited**, state in an Other Matter paragraph in the auditor's report that the corresponding figures are unaudited (this does not relieve the auditor from responsibility to obtain audit evidence on opening balances!)

- When **comparative F/S are** presented, the auditor's opinion should refer to each period for which F/S are presented and on which an audit opinion is expressed
 - The auditor may express a qualified opinion or an adverse opinion, disclaim an opinion, for the F/S of one or more periods, while expressing a different auditor's opinion on the F/S of the other period
 - If the auditor's opinion on the prior period F/S differs from the opinion the auditor previously expressed, disclose the reasons for the different opinion in an Other Matter paragraph
 - **Example:** We have audited the accompanying F/S of ABC Company, which comprise the statement of financial position as at **December 31, 2011 and 2010**.... In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the F/S present fairly, in all material respects, the financial position of ABC Company as at December 31, 2011 and 2010 and its financial performance and its cash flows for the years then ended in accordance with IFRS
- **If the F/S of the prior period were audited by a predecessor auditor**, state in an Other Matter paragraph:
 - That the F/S of the prior period were audited by a predecessor auditor
 - The type of opinion expressed by the predecessor auditor and, if the opinion was modified, the reasons for the modification; and
 - The date of that report
- **If the current auditor finds a material misstatement that affects the prior period F/S** in which the predecessor auditor gave an unmodified opinion, communicate with management and those charged with governance and ask them to inform the predecessor auditor
 - If the F/S are amended and the predecessor auditor agrees to issue a new audit report, the current auditor only has to report on the current period
- **If the prior period F/S were not audited**, state in an Other Matter paragraph that the comparative F/S are unaudited (this does not relieve the auditor from responsibility to obtain audit evidence on opening balances!)