

Respondent



11

Anonymous



21:37
Time to complete



1. Select Respondent Type *

Please select the capacity in which you are responding.

Firm



2. Organisation Name *

If you answered "Individual" in Question 1, please write "Private".

AngloGold Ashanti Limited

3. Full Name of Respondent *

Ian Kramer

4. Job Title *

SVP: Group Finance

5. Email Address *

IKramer@anglogoldashanti.com

6. Do you believe that additional disclosures in the auditor's report about the scope of the audit would be useful in enhancing the understanding of the audit that was performed? *

Refer to question 1 in section A of the Consultation Paper.

	Very useful	Useful	Somewhat useful	Not useful	No particular view
Scope of the audit. Refer to section A.	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

7. In relation to question 6 above, please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

Max 4 000 characters.

An audit opinion is intended to provide reasonable assurance that the financial statements are free from material misstatement. Audit scope disclosures would be useful for a stakeholder to assess whether sufficient audit work was carried out in areas of the business which are considered to have higher risk in terms of misstatement. Scope may include specific business units, transactions and/or financial statement line items which are key to performance and/or financial position.

8. Do you believe that disclosing the materiality threshold applied, and an explanation of significant judgements made by the auditor in determining materiality for the audit in the auditor's report, would be useful in enhancing the understanding of the audit that was performed? *

Refer to question 2 in section A of the Consultation Paper.

	Very useful	Useful	Somewhat useful	Not useful	No particular view
Materiality threshold applied, and an explanation of significant judgements made by the auditor in determining materiality for the audit. Refer to section A.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

9. In relation to question 8 above, please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

Max 4 000 characters.

Materiality threshold - materiality is not only a quantitative measure but also qualitative. The impact an error or amount will have in certain contexts must be considered. In explaining the threshold, the report may become cumbersome as materiality will depend on a set of circumstances applicable at the time of the audit and not necessarily consistently applicable for the company year-on-year or comparable to other peer group companies.

10. Do you believe that the disclosure of performance materiality in the auditor's report would be useful in enhancing the understanding of the audit that was performed? *

Refer to question 3 in section A of the Consultation Paper.

	Very useful	Useful	Somewhat useful	Not useful	No particular view
Performance materiality. Refer to section A.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

11. In relation to question 10 above, please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

Max 4 000 characters.

Refer 9 above. This would be a sub- set of materiality threshold and require more detail to be meaningful or useful. There is a risk of additional detail disclosures creating confusion rather than better clarity.

12. Do you believe that additional disclosures in the auditor's report that explain the extent to which the audit was considered capable of detecting irregularities, including fraud, would be useful in enhancing the understanding of the audit that was performed? *

Refer to question 4 in section B of the Consultation Paper.

Very useful Useful Somewhat useful Not useful No particular view

Explanation of the extent to which the audit was considered capable of detecting irregularities, including fraud. Refer to section B.



13. In relation to question 12 above, please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as any suggestions you may have.

Max 4 000 characters.

Irregularities - Understanding the legal and regulatory framework of an audit client should be key to audit procedures. Explaining the framework specific to a client in an audit report may result in overly detailed audit report which may lose its value due to the volume of information provided. Information on irregularities identified and how they were addressed may be more useful information. Fraud and irregularities – disclosures in the audit report regarding the assessment of the effectiveness of the company's internal controls (including those to to prevent fraud and irregularities) would be a useful disclosure similar to that provided in the US ICFR audit report.

14. Do you believe that disclosures in the auditor's report about how the auditor evaluated management's assessment of the entity's ability to continue as a going concern and, where relevant, key observations arising with respect to that evaluation would be useful in enhancing the understanding of the audit that was performed? *

Refer to question 5 in section C of the Consultation Paper.

Very useful Useful Somewhat useful Not useful No particular view

Very useful Useful Somewhat useful Not useful No particular view

How the auditor evaluated management's assessment of the entity's ability to continue as a going concern and, where relevant, key observations. Refer to section C.

15. In relation to question 14 above, please provide your reasons and indicate where applicable, what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

Max 4 000 characters.

Relevant key observations in evaluating management's assessment of going concern would provide useful information to a stakeholder as it provides an element of forward looking information and an indication of management's plans. Once again, an unnecessarily voluminous report should be avoided.

16. Do you believe that a conclusion (i.e. a positive statement) that management's use of the going concern basis of accounting in the preparation of the entity's financial statements is appropriate, should be included in the auditor's report? *

Refer to question 6 in section C of the Consultation Paper.

Yes Maybe No No particular view

Conclusion (i.e. a positive statement) that management's use of the going concern basis of accounting is appropriate. Refer to section C.

17. In relation to question 16 above, please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

Max 4 000 characters.

The financial statement assertion of indicating that financial results have been prepared as a going concern and the auditor's opinion on the financial statements should suffice, a positive statement would not add additional value.

18. Where there is a material uncertainty related to going concern, do you believe that procedures specific to the auditor's response to the material uncertainty related to going concern should be disclosed in the auditor's report? *

Refer to question 7 in section C of the Consultation Paper.

	Yes	Maybe	No	No particular view
Procedures specific to the auditor's response to a material uncertainty related to going concern. Refer to section C.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

19. In relation to question 18 above, please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

Max 4 000 characters.

The procedures to address material uncertainty would be useful in assessing the effectiveness of the going concern assertion. If there is a material uncertainty, would it not already be addressed in the KAMs?

20. Where the auditor concludes that no material uncertainty related to going concern has been identified, would a statement that the auditor has not identified a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue be useful to you as a user? *

Refer to question 8 in section C of the Consultation Paper.

	Very useful	Useful	Somewhat useful	Not useful	No particular view
A statement that the auditor has not identified a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue. Refer to section C.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

21. In relation to question 20 above, please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

Max 4 000 characters.

A statement of this nature provides negative assurance – nothing has come to our attention – it is a low level of assurance and does not add any additional value.

22. Are there any other matters related to going concern that you believe should be disclosed in the auditor's report? *

Refer to question 9 in section C of the Consultation Paper.

	Yes	Maybe	No	No particular view
Any other matters related to going concern that you believe should be disclosed in the auditor's report. Refer to section C.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

23. In relation to question 22 above, please provide the details and where applicable, the benefits and drawbacks of disclosure of such matters, as well as any suggestions you may have.

Max 4 000 characters.

Matters related to going concern and management's assumptions in assessing going concern should be disclosed and the disclosures be included in the audited pages. No further audit details need be provided as the opinion would cover these disclosures.

24. Do you believe that auditor's reports other than on listed entities and where law or regulation requires the application of ISA 701, should disclose Key Audit Matters (KAMs)? *

Refer to question 10 in section D of the Consultation Paper.

	Other PIEs	All Entities	No	No particular view
KAMs in auditor's reports other than on listed entities and where law or regulation requires the application of ISA 701. Refer to section D.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

25. In relation to question 24 above, please explain your reasons for the answer to this question and where applicable, specify the type of entity for which you believe the auditor's reports should disclose KAMs, as well as any suggestions you may have.

Max 4 000 characters.

KAMs are useful when public interest is at risk.

26. In your view, are descriptions of the outcome of audit procedures or key observations with respect to Key Audit Matters useful in understanding the KAM? *

Refer to question 11 in section D of the Consultation Paper.

	Very useful	Useful	Somewhat useful	Not useful	No particular view
Descriptions of the outcome of audit procedures or key observations with respect to Key Audit Matters. Refer to section D.	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

27. In relation to question 26 above, please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

Max 4 000 characters.

The outcome of audit procedures or key observations with respect to KAMs gives insight into procedures around matters which are subject to judgement. The risk remains with the current requirements relating to KAMs that these disclosures become generic and boilerplate in nature over a longer period, e.g. environmental rehabilitation obligations are highly judgemental and contain numerous assumptions, while recurring every year – it is however an aspect of the extractive industry that forms part of the operating model of companies in that industry and therefore identifying it annually as a KAM will inevitably result in boilerplate language been carried forward in an audit report year-on-year.

28. Do you believe it is beneficial to stakeholders to have visibility of the professional relationships between an audit firm and the audit client for audits of entities that are not PIEs? *

Refer to question 12 in section E of the Consultation Paper.

	Yes	Maybe	No	No particular view
Visibility of the professional relationships between an audit firm and the audit client for audits of entities that are not PIEs. Refer to section E.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

29. In relation to question 28 above, please provide your reasons. Where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder and specify for which types of entities should the disclosure of such professional relationships be. Also indicate any suggestions you may have.

Max 4 000 characters.

Independence in fact and perception is important to the reliability of the auditor role in issuing an opinion, whether the company is a PIE or not.

30. If the answer to question 28 is "yes" or "maybe", do you believe this should be disclosed in the auditor's report? *

Refer to question 13 in section E of the Consultation Paper.

	Yes	Maybe	No	No particular view	Not Applicable
Disclosure of professional relationships in the auditor's report. Refer to section E.	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

31. In relation to question 30 above, please provide your reasons. Where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder or provide alternative mechanisms for such disclosure.

Max 4 000 characters.

The relationship should be disclosed in the financial statements, for example either in the audit report or directors' report.

32. Do you believe the auditor's report is an appropriate mechanism to disclose the matters described in (a), (b), (c) and (d) in paragraph 65 of the Consultation Paper in relation to fees? *

Refer to question 14 in section E of the Consultation Paper.

	Yes	Maybe	No	No particular view
Auditor's report an appropriate mechanism to disclose the matters described in (a), (b), (c) and (d) in paragraph 65. Refer to section E.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

33. In relation to question 32 above, please provide your reasons. Where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder or provide suggestions on other possible mechanisms to achieve such disclosure, including the benefits and the drawbacks.

Max 4 000 characters.

Details of fees should be provided but not in the auditor's report, however reference to these other fees should be made in the report. Inclusion of fee details in the audit report detracts from the key matters and the opinion.

34. Do you believe the auditor's report is an appropriate mechanism to disclose whether an entity has been classified as a PIE or not? *

Refer to question 15 in section F of the Consultation Paper.

	Yes	Maybe	No	No particular view
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	Yes	Maybe	No	No particular view
Disclosure of whether an entity has been classified as a PIE or not in the auditor's report. Refer to section F.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

35. In relation to question 34 above, please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

Max 4 000 characters.

36. Do you believe that when prior period financial statements that are misstated have not been amended and an auditor's report has not been reissued, but the corresponding figures have been properly restated or appropriate disclosures have been made in the current period financial statements, the matter should in all cases be described in the auditor's report? *

Refer to question 16 in section G of the Consultation Paper.

	Yes	Maybe	No	No particular view
Description in the auditor's report when prior period financial statements that are misstated have not been amended and an auditor's report has not been reissued, but the corresponding figures have been properly restated or appropriate disclosures have been made in the current period financial statements. Refer to section G.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

37. In relation to question 36 above, please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

Max 4 000 characters.

If not amended and no change to the audit report, details in the audit report would detract from the current report and not provide useful information. The appropriate disclosures in the current period financial statements will provide the necessary information.

38. Where such disclosure (refer to question 36) is made in the auditor's report, whether mandated or not, do you believe that tailored descriptions of the audit procedures performed, and key observations made by the auditor regarding prior year material misstatements, would be useful in enhancing the understanding of how the auditor addressed the matter? *

Refer to question 17 in section G of the Consultation Paper.

	Very useful	Useful	Somewhat useful	Not useful	No particular view
Tailored descriptions of the audit procedures performed, and key observations made by the auditor regarding prior year material misstatements. Refer to section G.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

39. In relation to question 38 above, please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

Max 4 000 characters.

No additional comment

40. Do you believe the disclosure of the threshold of unadjusted misstatements in the auditor's report would be useful in further enhancing transparency by auditors? *

Refer to question 18 in section H of the Consultation Paper.

	Very useful	Useful	Somewhat useful	Not useful	No particular view
Do you believe the disclosure of the threshold of unadjusted misstatements in the auditor's report would be useful in further enhancing transparency by auditors? Refer to section H.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

41. In relation to question 40 above, please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

Max 4 000 characters.

No. The misstatements are unadjusted as they do not affect the reasonableness of the financial statement disclosures. Details would not add value to a stakeholder and even potentially result in confusing users of financial statements.

42. In relation to the matters described in sections A, B, C, G and H in the Consultation Paper, if applicable, would you please indicate for which types of entities these disclosures should be made? Your response should be in the format set out below (tick where appropriate and provide your reasons, including benefits and drawbacks, in the comment box). *

Refer to question 19 in section I of the Consultation Paper.

	All entities	PIEs only	Listed entities only	Others (Please explain in question 43 below)	Disclosure should not be made at all (Please explain in question 43)
Extending the disclosures of the Audit Scope. Refer to section A.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	All entities	PIEs only	Listed entities only	Others (Please explain in question 43 below)	Disclosure should not be made at all (Please explain in question 43)
Materiality. Refer to section A.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Performance Materiality. Refer to section A.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Enhancing the disclosure of the audit effort related to Irregularities, including fraud. Refer to section B.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Enhancing the disclosure of the audit effort related to Going Concern. Refer to section C.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Auditor's report disclosures arising from Prior Year Misstatements. Refer to section G.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Disclosure of the reporting threshold unadjusted misstatements. Refer to section H.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

43. In relation to question 42 above, please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

Max 4 000 characters.

Enhancing the disclosure of the audit effort related to irregularities, including fraud - Consider an ICFR audit report. Auditor's report disclosures arising from prior year misstatements - If company restatement is correctly disclosed, no additional audit report

disclosures required. Disclosure of the reporting threshold unadjusted misstatements - not useful, if unadjusted, it has not affected fair disclosures

44. Other than those proposals discussed in sections A to I in the Consultation Paper, are there more matters that can be disclosed by auditors in the auditor's report for an audit of financial statements? *

Refer to question 20 in section J of the Consultation Paper.

	Yes	Maybe	No	No particular view
More matters that can be disclosed by auditors in the auditor's report.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

45. In relation to question 44 above, please provide your reasons and where applicable, indicate what the benefits and drawbacks would be to you as a stakeholder, as well as any suggestions you may have.

Max 4 000 characters.

No additional comments.

46. Should there be prescribed standards or a rule that will mandate additional disclosures in the auditor's report? *

Refer to question 21 in section J of the Consultation Paper.

	Yes	Maybe	No	No particular view
Prescribed standards or a rule that will mandate additional disclosures in the auditor's report.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

47. In relation to question 46 above, please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

Max 4 000 characters.

48. Is there a need to develop a structure or framework within which to accommodate currently envisaged but also future changes to auditor's report contents? *

Refer to question 22 in section J of the Consultation Paper.

	Yes	Maybe	No	No particular view
A need to develop a structure or framework within which to accommodate currently envisaged but also future changes to auditor's report contents.	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

49. In relation to question 48 above, please provide your reasons. Where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder and explain what the elements of such a framework would be. Also provide any suggestions you may have.

Max 4 000 characters.