

Respondent



16

Anonymous



17:31
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".

Nexia SAB&T

3. Full Name of Respondent *

Maryke van Deventer

4. Job Title *

Director: Technical, Quality and Risk

5. Email Address *

maryke@nexia-sabt.co.za

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.

This would increase transparency of the audit process. It would also provide insight into the audit process. Users who do not have previous experience as auditors do not always understand how an audit is undertaken. If the scope is disclosed, users may appreciate the level of work involved as well as the auditor's considerations in determining risk and planning the audit. If the provision of these disclosures is mandatory, it may have a positive impact on audit quality as auditors may give additional thought to the appropriateness of the scope given that it will be disclosed thus be subject to public scrutiny. It would assist in helping users of audit reports to understand that while the audit may provide reasonable assurance, it cannot provide absolute assurance. Possible drawbacks It is not clear from the consultation paper, how much detail would be required in the audit reports. A balance should be struck between transparency and risk to the audit firms. The inclusion of additional information in the audit report could result in additional public scrutiny and provide an additional basis by which the public can blame auditors for corporate failures. A risk exists that certain employees of auditees may utilise the information provided to perpetuate fraud in areas which the auditors may have indicated are low risk or those which appear to attract less attention during the audit. The fundamental audit principle of professional judgement must be considered when additional information on audit scope is included in the audit report.

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 checked="" type="radio"/>	<input 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.

The inclusion of this paragraph could result in useful information, depending on the nature of the information provided. The information will only be useful if the auditor discloses the materiality amount, the threshold used to make this determination and considerations made in determining materiality, as well as the rationale for the judgements made. This disclosure will also provide sufficient information to allow users to assess whether the thresholds used would suffice for the purpose which said user intends to use the financial statements. Additional disclosure may also assist in explaining to users why only certain sections of the financial statements are audited and other sections have not been audited. It will emphasise that the audit work is more concerned with identifying material misstatements, rather than any misstatement that may be included in the financial statements. For instance, if the user would deem an item of R1 million to be material while materiality has been set at R5 million, the user would be aware that a possibility exists that an error which he/she may consider material may exist and not have been identified due to the manner in which the audit was carried out. This could indicate to the user that he/she should request additional information to fulfil their purpose, assuming the user has the ability to request such additional information. Further, disclosure of materiality may positively influence as auditors are likely to give more thought to the amounts used due to the additional public scrutiny that the determination will be subjected to. Drawbacks Similar to comments to question 6 and 7 above, those who intend to misstate information may use the information provided to devise schemes which may evade the auditors' processes due to the additional information provided on the materiality determination. Further, the materiality basis used will not please all users. Materiality is a judgement call and to an extent subjective, and no-one has the same judgement therefore this could lead to additional criticism for auditors.

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 type="radio"/>	<input checked="" 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.

This may increase the risk that auditees will use the information disclosed to devise strategies to evade audit procedures. This will increase the overall risks of audits as fraud and other deliberate misstatements may become more difficult to detect. If overall materiality is disclosed, we do not believe that performance materiality should be disclosed. This would result in exposing too much of the audit process to auditees. The "silence" on the performance materiality would provide auditors with some form of a safety net. Further to this, the ordinary user of the AFS may be confused by the concepts of materiality and performance materiality and therefore it is better to keep it simple and only disclose the overall materiality. Performance materiality is more for external auditor evaluation purpose and not for the ordinary user of the financial statements.

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.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

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.

This disclosure could serve to close the expectation gap which currently exists in the market. Users of financial statements and the general public seem to expect auditors to identify all instances of fraud and misstatement. This leads to reputational damage to the profession each time a corporate scandal is uncovered. This disclosure should clearly describe the limitations on the scope of an audit to identify fraud as well as provide details of the procedures which have been performed to address the risk of fraud. Risk Although the users may understand the limitations of an audit, this may lead to dissatisfaction with the audit profession overall. A situation may arise where the usefulness of an audit is questioned, especially in the current environment where a number of corporate failures remain top of mind. This in turn may lead to updates to audit standards which include additional required procedures.

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
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.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

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.

In situations where the auditor has not identified a material uncertainty in the use of the going concern assumption, additional disclosure is not always necessary. However, if an inspection of the financial statements may cast doubt on the appropriateness of the going concern assumption but management and the auditor are comfortable that no material uncertainty exists, additional information on the considerations made in this regard, by both management and the auditors would be useful. However, the audit report may not be the most appropriate place to include these disclosures. These disclosures should rather be provided in the financial statements. The role of the auditor should be to ensure that the disclosures included in the financial statements are adequate.

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.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

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.

This is repetitive. If the AFS are prepared on the going concern basis and the auditor has not issued a modified report, this indicates that the assumption is appropriate. Providing additional disclosure in the audit report would not provide useful information to stakeholders. This would increase the length of the audit report without additional benefit.

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 type="radio"/>	<input type="radio"/>	<input checked="" 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 auditor should ensure that the disclosure included in the financial statements should adequately describe the factors which have resulted in the material uncertainty as well as management's response to these factors. By including additional procedures in the audit report on this matter, would take the focus away from the modification included in the audit report.

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
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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.



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.

No, if the AFS are prepared on a going concern basis and the audit report does not include an emphasis of matter/other matter paragraph or other modification in this regard, it is clear to users that the auditor has not identified a material uncertainty related to going concern. Stating this fact does not provide users with any useful additional information.

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

	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.

None. The suggested disclosures are already in excess of what we deem to be necessary.

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.

These may be useful for other public interest entities or entities where management and those charged with governance are not the same people. In entities which do not have public accountability, most stakeholders have the ability to request information directly from management. These stakeholders may also have greater insight to the workings of the entity and significant judgements made by management, if and when these are of interest to said stakeholders. Therefore, the inclusion of this information in the audit reports of those entities that has no public accountability, would not be useful.

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 type="radio"/>	<input checked="" 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 disclosure of the matter as a KAM indicates that the audit team has invested significant resources into investigating and addressing the matter. The disclosure in the financial statements would be the outcome which management and the auditor have agreed upon after investigating and discussing the matter in detail. The audit opinion expressed would most likely be modified if the auditor was not in agreement with the approach reflected in the financial statements. Alternatively, an emphasis of matter paragraph would be included in the report if the matter was disclosed. However, including the disclosure of key observations, together with the outcome of the KAMs could possibly narrow the gap between the assumptions applied by management and the conclusion reached by the auditor. However, it should be noted that this should basically only be a closing statement and not 'over' disclosure regarding the outcome as this would increase the length of the audit report while providing minimal benefit.

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 type="radio"/>	<input type="radio"/>	<input checked="" 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.

Disclosure of the quantum of audit fees may not necessarily carry the expected benefit. The major stakeholders of the audit client should already have access to this information and including it in the audit report may create more drawbacks than benefits. Also, the fees are already disclosed in the AFS for audit and non-audit services.

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 type="radio"/>	<input type="radio"/>	<input checked="" 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.

No particular view as we concluded "No" in question 28 and 29. Refer response above.

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.

Please see previous comments. We do not believe this disclosure is necessary.

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
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	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 checked="" type="radio"/>	<input type="radio"/>	<input 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.

Yes, it would be an appropriate mechanism. This will place the audit process and procedures in perspective for the relevant users. No drawbacks identified.

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 checked="" type="radio"/>	<input 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.

The accounting standards require the matter to be appropriately described in the financial statements. The inclusion of a description of the matter in the audit report would result in repetition. This would not increase the usefulness of audit reports. However, it may be useful for audit reports to disclose improvements which have been made to audit procedures to prevent similar misstatements from going undetected, assuming the misstatement could/should have been detected through the audit process. The auditor can include an emphasis of matter in this regard in the audit report if they wish to highlight the restatement in the current year.

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.

The disclosure would be most useful if it addresses the factors which led to publishing misstated AFS and how this risk has been addressed through additional /specific audit

procedures to decrease the likelihood in future periods. If this relates to a misstatement which could not have been detected by the audit procedures, it may be useful to state that fact and the reasons. In all cases, consideration should be given to the additional exposure which the disclosures may result in for the audit firms and the additional questions which may be raised on the profession as a whole.

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.

The disclosure of such information may have unintended consequences. Employees of auditees which intend to misstate financial statements or commit fraud may study this information and use the information disclosed as a basis to determine the types and amounts of transactions which are likely to escape the scrutiny of the audit team. This will increase the risk of fraud going undetected.

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 type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Materiality. Refer to section A.	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Performance Materiality. Refer to section A.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Enhancing the disclosure of the audit effort related to Irregularities, including fraud. Refer to section B.	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Enhancing the disclosure of the audit effort related to Going Concern. Refer to section C.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" 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.

Extending the disclosures of the audit scope This would increase transparency of the audit process. It would also provide insight into the audit process in the public interest. Materiality Additional disclosure may assist in explaining to users why only certain sections of the financial statements are audited and other sections have not been audited. It will emphasise that the audit work is more concerned with identifying material misstatements, rather than any misstatement that may be included in the financial statements. Performance materiality Do not believe it is necessary to disclose this in the audit report Enhancing the disclosure of the audit effort related to irregularities, including fraud Important to note that compliance with laws and regulations is the responsibility of management and those charged with governance and that the auditor is not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations. Enhancing the disclosure of the audit effort related to going concern No, we believe that sufficient disclosure is already included in the financial statements and where not appropriate, to modify the audit report. Further information would be duplication of information already presented. Auditor's report disclosures arising from prior year misstatements Do not think additional disclosure, except for possible emphasis of matter should be made Disclosure of the reporting threshold unadjusted misstatements Do not believe this is information to be disclosed in the audit report.

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 checked="" type="radio"/>	<input 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.

Not applicable – the suggested disclosures are already deemed to be overly extensive.

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 checked="" type="radio"/>	<input type="radio"/>	<input 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.

If any of the proposals are carried forward a standard/rule should be created. If no specific standard is created, the disclosures will likely not be provided by auditors. Further, drafting a mandatory standard will ensure consistency and comparability between entities.

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 checked="" type="radio"/>	<input 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.

Yes, there is a need. A structure and framework are required to promote consistency, transparency and guidance. The standards are sometimes open for interpretations if the necessary guidance is not provided. The structure should however provide guidance and structured wording required but should not be "fixed" wording. It then needs to be emphasised that auditors need to apply professional judgement in this regard to make the generic wording specific to the audit.