

## The Auditor's Report on Financial Statements

### Proposed Revisions to ISA 580

#### ISA 580, MANAGEMENT REPRESENTATIONS

*[Paragraphs 1-11 unchanged]*

##### *Basic Elements of a Management Representation Letter*

12. When requesting a management representation letter, the auditor would request that it be addressed to the auditor, contain specified information and be appropriately dated and signed.
13. A management representation letter would ordinarily be dated the same date as the auditor's report, although it may be dated and received later to confirm oral representations. However, the letter should be dated no earlier than the auditor's report. In certain circumstances, a separate representation letter regarding specific transactions or other events may also be obtained during the course of the audit or at a date after the date of the auditor's report, for example, on the date of a public offering. In addition, in the event of a significant or unusual delay in the issuance of the financial statements and the auditor's report, the auditor considers obtaining an updated representation letter from management confirming that the written representations given by management at the date of the auditor's report remain valid and appropriate, and that there have been no changes in circumstances since the date of the auditor's report that would materially affect the financial statements. The updated management representation letter would be dated as close as possible to the date the financial statements are issued.
14. A management representation letter would ordinarily be signed by the members of management who have primary responsibility for the entity and its financial aspects (ordinarily the senior executive officer and the senior financial officer) based on the best of their knowledge and belief. In certain circumstances, the auditor may wish to obtain representation letters from other members of management. For example, the auditor may wish to obtain a written representation about the completeness of all minutes of the meetings of shareholders, the board of directors and important committees from the individual responsible for keeping such minutes.

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*[Paragraph 15 unchanged]*



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