

PROPOSED INTERNATIONAL STANDARD ON AUDITING 810
THE INDEPENDENT AUDITOR'S REPORT ON
SUMMARIZED AUDITED HISTORICAL FINANCIAL INFORMATION

(Effective for auditors' reports issued on or after December 31, 2006)

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International Standard on Auditing (ISA) 810, "The Independent Auditor's Report on Summarized Audited Historical Financial Information" should be read in the context of the "Preface to the International Standards on Quality Control, Auditing, Assurance and Related Services," which sets out the application and authority of ISAs.

Introduction

1. The purpose of this International Standard on Auditing (ISA) is to establish standards and provide guidance for the independent auditor's report on summarized audited historical financial information (for purposes of this ISA referred to as "summarized audited financial information"). It also contains standards and guidance on the criteria used and procedures performed in an engagement to report on summarized audited historical financial information.
2. This ISA does not establish standards and provides guidance for a report on summarized financial information derived from historical financial information that is unaudited. It also does not establish standards and provides guidance for a report confirming that information is an accurate extraction from audited historical financial information.
3. The objective of an engagement to report on summarized audited financial information is to express an opinion whether the summarized audited financial information appropriately summarizes, in all material respects, the audited historical financial information from which it has been derived.

Definitions

4. In this ISA:
 - (a) "Engagement circumstances" means the (i) terms of the engagement; (ii) the nature of the summarized audited financial information; (iii) the criteria for preparing and presenting the summarized audited financial information, if any; (iv) the purpose for which the summarized audited financial information has been prepared; (v) the needs of the intended users; (vi) relevant characteristics of the responsible party and its environment; and (vii) other matters that may have a significant effect on the engagement.
 - (b) "Financial reporting framework" means a set of criteria applied in preparing and presenting the audited historical financial information from which the summarized audited financial information has been derived. The term includes any legal and regulatory requirements that supplement but do not conflict with the financial reporting framework.
 - (c) "Intended user" means the person(s), or class of persons for whom the auditor prepares the report on the summarized audited financial information. The responsible party can be one of the intended users, but not the only one.
 - (d) "Responsible party" means the person(s) responsible for preparing and presenting the summarized audited financial information. The responsible party may or may not be the party who engages the auditor.

Engagement Acceptance

5. **The auditor should accept an engagement to report on summarized audited historical financial information only where that auditor has expressed the audit opinion on the audited historical financial information from which the summarized audited financial information has been derived.** For purposes of this ISA, "audited

historical financial information from which the summarized audited financial information has been derived" is referred to as "audited historical financial information." The audit of the historical financial information provides the auditor with the necessary knowledge to discharge the auditor's responsibilities regarding the summarized audited financial information.

6. The auditor obtains an understanding of the purpose for which the summarized audited financial information has been prepared, and whether established criteria for preparing and presenting summarized audited financial information for that purpose exist. When established criteria do not exist, the auditor considers whether the criteria in paragraph 13 are acceptable in the engagement circumstances, including, in particular, the purpose for which the summarized audited financial information has been prepared, before accepting an engagement to report on such information.
7. **Before accepting an engagement to report on summarized audited financial information, the auditor should obtain evidence that the responsible party:**
 - (a) **Acknowledges its responsibility for appropriately summarizing the audited historical financial information; and**
 - (b) **Except when the circumstances described in paragraph 8 exist, confirms that the audited historical financial information will be available to users of the summarized audited financial information.**
8. Paragraph 7(b) is based on the premise that the summarized audited financial information does not contain all the disclosures required by the financial reporting framework applied in preparing and presenting the audited historical financial information, and therefore is not a substitute for the audited historical financial information. The auditor may, however, encounter circumstances where the responsible party is required or expressly permitted by law or regulation to issue summarized audited financial information, but does not have to (and does not) make the audited historical financial information available to the users of the summarized audited financial information. Where such law or regulation establishes the criteria for preparing and presenting such summarized audited financial information, the auditor may undertake the engagement to report on the summarized audited financial information, even though the auditor knows that the responsible party does not intend to make the audited historical financial information available to the users of the summarized audited financial information.
9. When the auditor is requested to report on summarized audited financial information long after the completion of the audit of the historical financial information, the auditor considers whether it is appropriate to accept the engagement. It may not be appropriate to accept an engagement to report on summarized audited financial information long after the completion of the audit of the historical financial information. (Also see paragraph 16.)

Criteria

10. The responsible party is responsible for determining the nature and extent of the information that needs to be reflected in the summarized audited financial information, so that it appropriately summarizes the audited historical financial information. The auditor

is responsible for evaluating whether the summarized audited financial information appropriately summarizes, in all material respects, the audited historical financial information. The auditor needs criteria suitable for such evaluation.

11. Criteria for preparing and presenting summarized audited financial information may be established by law, regulation, or a financial reporting framework established by an organization that is authorized or recognized to promulgate standards to be used by certain types of entities.
12. Summarized audited financial information, by its nature, is expected to contain only limited disclosure. Consequently there is a risk that summarized audited financial information may misrepresent the audited historical financial information. This risk increases when established criteria for preparing and presenting summarized audited financial information do not exist. As discussed in paragraph 6, where established criteria do not exist, the auditor considers whether the criteria in paragraph 13 are acceptable in the engagement circumstances, including, in particular, the purpose for which the summarized audited financial information has been prepared, before accepting an engagement to report on such information.
13. Where established criteria do not exist, the auditor uses the following criteria as a basis for the auditor's evaluation:
 - (a) Whether the summarized audited financial information agrees with or can be recalculated from the related information in the audited historical financial information; and
 - (b) Whether the summarized audited financial information, in all material respects, contains all information the auditor considers necessary in the engagement circumstances so as not to result in a misrepresentation of (e.g., seriously distorting or obscuring) the audited historical financial information (including the related notes) as a whole. For example, the summarized audited financial information might only include the major subtotals and totals from the audited historical financial information, omitting information from related notes dealing with matters having a pervasive or otherwise significant effect on the summarized audited financial information. Such matters could include contingencies, subsequent events, or conditions that cast doubt on the entity's ability to continue as a going concern.

Nature of Procedures

14. The procedures performed by the auditor as the basis for the auditor's opinion on the summarized audited financial information consist primarily of:
 - (a) Comparing the summarized audited financial information with the related information in the audited historical financial information to determine whether the summarized audited financial information agrees with or can be recalculated from the related information in the audited historical financial information;
 - (b) Where established criteria for preparing and presenting the summarized audited financial information exist, evaluating whether the summarized audited financial

information has been prepared, in all material respects, in accordance with the established criteria;

- (c) Except when the circumstances described in paragraph 15 exist, evaluating whether the summarized audited financial information, in all material respects, contains the information that the auditor considers necessary in the engagement circumstances so as not to result in a misrepresentation of the audited historical financial information (including the related notes) as a whole.

Based on the above, the auditor expresses an opinion whether the summarized audited financial information appropriately summarizes, in all material respects, the audited historical financial information (in accordance with the established criteria, where such criteria exist).

- 15. The auditor does not perform the procedures in paragraph 14(c) where the responsible party is required or expressly permitted by law or regulation to issue summarized audited financial information and such law or regulation:
 - (a) Establishes the criteria for preparing and presenting the summarized audited financial information; but
 - (b) Does not require the responsible party to prepare and present summarized audited financial information that, in all material respects, contains the information necessary in the engagement circumstances so as not to result in misrepresentation of the audited historical financial information (including the related notes) as a whole.

Where this is the case, the auditor expresses an opinion whether the summarized audited financial information has been prepared, in all material respects, in accordance with the established criteria.

Timing of Work and Events Subsequent to the Date of the Auditor's Report on the Historical Financial Information

- 16. Ordinarily, the auditor performs the procedures described in paragraph 14 during or immediately after the audit of the historical financial information. When the auditor is requested to report on the summarized audited financial information after the completion of the audit of the historical financial information, the auditor does not have to obtain any additional evidence regarding the audited historical financial information. This is because the summarized audited financial information is a summary of the audited historical financial information – if any adjustment is to be made to the summarized audited financial information as a result of events subsequent to the date of the audited historical financial information, it would no longer be a summary of the audited historical financial information. In order to avoid any misunderstanding on the part of the user of the auditor's report on the summarized audited financial information, the report states that the audited historical financial information and summarized audited financial information do not reflect the effects of events that occurred subsequent to the date of the audited historical financial information or, where the date of the auditor's report on the historical financial information is later than the date of the historical financial information, the date of the auditor's report on the historical financial information. (Also see paragraph 9.)

Auditor's Report on Summarized Audited Financial Information

Elements of the Auditor's Report

17. **At a minimum, the auditor's report on summarized audited financial information should include the following elements:**
- (a) **A title clearly indicating it as the report of an independent auditor.¹**
 - (b) **An addressee.**
 - (c) **An introductory paragraph that:**
 - (i) **Identifies the summarized audited financial information on which the auditor is reporting;**
 - (ii) **Identifies the audited historical financial information, the date on which it was issued, and the fact that the audited historical financial information and summarized audited financial information do not reflect the effects of events that occurred subsequent to the date of the audited historical financial information or, where the date of the auditor's report on the historical financial information is later than the date of the historical financial information, the date of the auditor's report on the historical financial information; and**
 - (iii) **Refers to the auditor's report on the historical financial information, the date of that report, and the type of opinion it expressed.**
 - (d) **Identification of the responsible party and a description of that party's responsibility for appropriately summarizing the audited historical financial information.**
 - (e) **A statement that the auditor is responsible for expressing an opinion on the summarized audited financial information based on the auditor's procedures.**
 - (f) **A description of the auditor's procedures.**
 - (g) **A paragraph clearly expressing an opinion as follows:**
 - (i) **When established criteria exist and the auditor has performed the procedures described in paragraph 14(a)-(c), whether the summarized audited financial information appropriately summarizes, in all material respects, the audited historical financial information in accordance with the established criteria;**
 - (ii) **When established criteria do not exist and the auditor has applied the criteria in paragraph 13 and performed the procedures described in paragraph 14(a)-(c), whether the summarized audited financial information appropriately summarizes, in all material respects, the audited historical financial information; or**

¹ A title indicating the report is the report of an independent auditor, for example, "Independent Auditor's Report," affirms that the auditor has met all of the relevant ethical requirements regarding independence, and therefore, distinguishes the independent auditor's report from reports issued by others.

- (iii) **When the circumstances described in paragraph 15 exist and the auditor has performed the procedures described in paragraph 14(a)-(b), whether the summarized audited financial information has been prepared, in all material respects, in accordance with the established criteria.**
- (h) **A statement, or reference to a note within the summarized audited financial information, indicating that the summarized audited financial information does not contain all the disclosures required by the financial reporting framework applied in preparing and presenting the audited historical financial information and that for more information on the audited historical financial information, and on the scope of the audit performed on the historical financial information, users should refer to the audited historical financial information and the related auditor's report.²**
- (i) **The auditor's signature.**
- (j) **The date of the auditor's report.**
- (k) **The auditor's address.**

The Appendix to this ISA contains examples of auditors' reports that contain unmodified opinions on summarized audited financial information.

- 18. Ordinarily the addressee is the same as the addressee of the auditor's report on the historical financial information. If this is not the case, the auditor considers the appropriateness thereof in the engagement circumstances. If not appropriate, the auditor may consider to obtain legal advice on the matter.
- 19. Summarized audited financial information does not contain all the information required by the financial reporting framework applied in preparing and presenting the historical financial information. Consequently, the auditor cannot report on the summarized audited financial information in the same manner as the auditor reported on the historical financial information. To do so might lead users to assume incorrectly that the summarized audited financial information includes all the disclosures required by the financial reporting framework applied in preparing and presenting the audited historical financial information. Terms such as "true and fair" or "presents fairly, in all material respects," are therefore not used by the auditor in opinions on summarized audited financial information.
- 20. **The auditor should date the report on the summarized audited financial information no earlier than the date on which the auditor has obtained sufficient appropriate audit evidence on which to base the opinion on the summarized audited financial information. Sufficient appropriate audit evidence should include evidence that the preparation of this summarized audited financial information has been completed, and that the responsible party has asserted its responsibility for that summarized audited financial information.** Evidence of the responsible party's assertion of its responsibility for preparing and presenting the summarized audited financial information may include a statement in a management representation letter or an appropriately signed

² Where the circumstances described in paragraph 8 of this ISA apply, the users are not referred to the historical financial information and the related auditor's report.

statement on the summarized audited financial information. The person or persons with recognized authority to provide such a statement or other form of assertion depend on the engagement circumstances.

Modified Opinion, Emphasis of Matter Paragraph or Other Matter Paragraph in Auditor's Report on Historical Financial Information

21. **When the auditor's report on the historical financial information contains a modified opinion, an emphasis of matter paragraph, or an other matter paragraph, but the auditor is satisfied that the summarized audited financial information appropriately summarizes, in all material respects, the audited historical financial information, the introductory paragraph of the auditor's report should:**
- (a) **State that the auditor's report on the historical financial information contained a modified opinion, an emphasis of matter paragraph, or an other matter paragraph;**
 - (b) **Describe the subject of the modified opinion, the emphasis of matter paragraph, or other matter paragraph and the effect thereof on the audited historical financial information; and**
 - (c) **If the summarized audited financial information is affected by the subject of the modified opinion, emphasis of matter paragraph, or other matter paragraph, describe the effect thereof on the summarized audited financial information.**

The Appendix to this ISA contains an example of an auditor's report on summarized audited financial information derived from historical financial information on which the auditor issued a modified opinion.

Modified Opinion on Summarized Audited Financial Information

22. Proper presentation of summarized audited financial information requires adequate disclosure of its summarized nature and identification of the audited historical financial information, for example, by using a title such as "Summarized Financial Information Prepared from the Audited Financial Statements for the Year Ended December 31, 20X1." Summarized audited financial information that is not accompanied by the audited historical financial information needs to describe clearly from whom or where the audited historical financial information is available.³
23. The auditor requests the responsible party to make appropriate changes to the summarized audited financial information when:
- The summarized audited financial information does not adequately disclose its summarized nature, identify the audited historical financial information or, except in the circumstances described in paragraph 8, clearly describe from whom or where the audited historical financial information is available;
 - The auditor concludes that the summarized audited financial information does not appropriately summarize the audited historical financial information;

³ Where the circumstances described in paragraph 8 of this ISA apply, this description is not necessary.

- The summarized audited financial information has not been prepared or presented, in all material respects, in accordance with the established criteria or, where established criteria do not exist, the criteria described in paragraph 13; or
- Except as discussed in paragraph 15, the summarized audited financial information does not contain, in all material respects, all information that the auditor considers necessary in the engagement circumstances so as not to result in misrepresentation of the audited historical financial information (including the related notes) as a whole.

If the responsible party does not agree to make the appropriate changes, the auditor should express a modified opinion on the summarized audited financial information.

The Appendix to this ISA contains an example of such a report.

Prescribed Forms of Reports

24. The auditor's report on summarized audited financial information may be required by law or regulation to be in a prescribed form that may not conform to the requirements of this ISA.
25. When required to report in a prescribed form, the auditor considers whether the substance and wording of the prescribed report are appropriate in the engagement circumstances.
26. **If the auditor concludes that the substance or wording of the prescribed report is not appropriate in the engagement circumstances, the auditor should make appropriate changes to conform to the requirements of this ISA, either by rewording the prescribed report or by substituting the prescribed report with a report that conforms to the requirements of this ISA.** If the auditor is not permitted to do so, the auditor does not report on the summarized audited financial information, unless the auditor is required by law or regulation to report in such prescribed format.

Comparatives

27. There is a presumption that if the audited historical financial information contains comparatives, the summarized audited financial information will also contain comparatives. If the audited historical financial information contains comparatives, but the summarized audited financial information does not, the auditor considers whether such omission is reasonable in the engagement circumstances. The auditor considers the effect of an unreasonable omission on the auditor's report on the summarized financial statements.
28. Comparatives in the audited historical financial information may be regarded as corresponding figures or as comparative financial information, depending on the engagement circumstances. ISA 710, "Comparatives" describes how this difference affects the auditor's report, including, in particular, reference to other auditors who audited the financial information for the prior period. If the summarized audited financial information contains comparatives, which were reported on by another auditor, the auditor's report on the summarized audited financial information also contains the matters included in the auditor's report on the historical financial information in

compliance with ISA 710, paragraphs 17 and 26, adapted as necessary to the engagement circumstances.

Unaudited Supplementary Information Presented with Summarized Audited Financial Information

29. ISA 700 (Revised), "The Independent Auditor's Report on a Complete Set of General Purpose Financial Statements," paragraphs 67-71, and proposed ISA 800 (Revised), "The Independent Auditor's Report on Other Historical Financial Information," paragraph 39, establish standards and provide guidance to be applied when unaudited supplementary information is presented with audited historical financial information. **Where unaudited supplementary information is presented with the summarized audited financial information, the auditor should be satisfied that the unaudited supplementary information is clearly differentiated from the summarized audited financial information. If the auditor concludes that the entity's presentation of the unaudited supplementary information does not differentiate it sufficiently from the summarized audited financial information, the auditor should explain in the auditor's report that the supplementary information has not been audited.**

Auditor Association

30. An entity might make a statement in a document that names the auditor and also refers to the fact that summarized audited financial information has been derived from audited historical financial information. Such a statement does not, in itself, require the auditor to report on the summarized audited financial information, if:
- (a) The reference to the auditor is in the context of the auditor's report on the historical financial information; and
 - (b) The statement does not give the impression that the auditor has reported on the summarized audited financial information.
- If these provisions are not met, the auditor requests that the entity (a) change the statement to meet provisions in paragraph 30(a)-(b); (b) not include the auditor's name in the document; or (c) obtain and include an auditor's report on the summarized audited financial information.
31. **If the entity does not change the statement, delete the reference to the auditor, or allow the auditor's report on the summarized audited financial information to be included, the auditor should advise the entity that the auditor does not consent to either the use of the auditor's name or the reference to the auditor, and the auditor should consider what other actions might be appropriate.** Other actions may be based on legal advice obtained.
32. ISA 700 (Revised), "The Independent Auditor's Report on a Complete Set of General Purpose Financial Statements," paragraphs 67-71, adapted as necessary to the engagement circumstances, apply to the audit of the historical financial information when: (a) the summarized audited financial information is included in a document containing the audited historical financial information, and (b) the auditor has not been requested to report on the summarized audited financial information.

Effective Date

33. This ISA is effective for auditor’s reports dated on or after December 31, 2006.

Appendix

Examples of Reports on Summarized Audited Historical Financial Information

Example 1:

Engagement circumstances include the following:

- **Summarized audited financial statements derived from a complete set of audited financial statements.**
- **Unmodified opinion was expressed on the complete set of audited financial statements.**
- **Established criteria for preparing and presenting summarized audited financial information do not exist.**
- **Circumstances described in paragraphs 8 and 15 of this ISA do not exist.**

INDEPENDENT AUDITOR'S REPORT

[Appropriate Addressee]

The accompanying summarized audited financial statements, which comprise the summarized balance sheet as at December 31, 20X1, and the summarized income statement, summarized statement of changes in equity and summarized cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, were derived from the complete set of audited financial statements of ABC Company for the year ended December 31, 20X1. The complete set of audited financial statements was issued on February 15, 20X2. The complete set of audited financial statements and the summarized audited financial statements do not reflect the effects of events that occurred subsequent to the date of the auditor's report on the complete set of financial statements.

We have audited the complete set of financial statements of ABC Company for the year ended December 31, 20X1 in accordance with International Standards on Auditing. In our report dated February 15, 20X2, we expressed an unmodified opinion on the complete set of financial statements.

Management's Responsibility for the Summarized Audited Financial Statements

Management is responsible for the appropriate summarization of the complete set of audited financial statements. This responsibility includes ensuring: that the summarized audited financial statements are in agreement with or can be recalculated from the related information in the complete set of audited financial statements; and that the summarized audited financial statements contain, in all material respects, the information necessary in the circumstances so as not to result in misrepresentation of the complete set of audited financial statements, including the related notes.

Auditor’s Responsibility

Our responsibility is to express an opinion on the summarized audited financial statements based on our procedures. Our procedures were conducted in accordance with the relevant requirements of International Standard on Auditing (ISA) 810, “The Independent Auditor’s Report on Summarized Audited Historical Financial Information.”

Our procedures consisted primarily of a comparison of the summarized audited financial statements with the information in the complete set of audited financial statements; and an evaluation whether the summarized audited financial statements contain, in all material respects, the information necessary in the circumstances so as not to result in misrepresentation of the complete set of audited financial statements, including the related notes.

Opinion

In our opinion, the summarized audited financial statements appropriately summarize, in all material respects, the complete set of audited financial statements of ABC Company for the year ended December 31, 20X1.

Notice to Reader

The summarized audited financial statements do not contain all the disclosures required by the financial reporting framework applied in preparing and presenting the complete set of audited financial statements. For more information on the complete set of audited financial statements, and the scope of the audit performed on those financial statements, reference should be made to the complete set of audited financial statements and the related auditor’s report.

[Auditor’s signature]

[Date of the auditor’s report]

[Auditor’s address]

Example 2:

Engagement circumstances include the following:

- **Summarized audited financial statements derived from a complete set of audited financial statements.**
- **Unmodified opinion was expressed on the complete set of audited financial statements.**
- **Established criteria for preparing and presenting summarized audited financial information exist.**
- **Circumstances described in paragraphs 8 and 15 of this ISA do not exist.**

INDEPENDENT AUDITOR’S REPORT

[Appropriate Addressee]

The accompanying summarized audited financial statements, which comprise the summarized balance sheet as at December 31, 20X1, and the summarized income statement, summarized statement of changes in equity and summarized cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, were derived from the complete set of audited financial statements of ABC Company for the year ended December 31, 20X1. The complete set of audited financial statements was issued on February 15, 20X2. The complete set of audited financial statements and summarized audited financial statements do not reflect the effects of events that occurred subsequent to the date of the auditor’s report on the complete set of financial statements.

We have audited the complete set of financial statements of ABC Company for the year ended December 31, 20X1 in accordance with International Standards on Auditing. In our report dated February 15, 20X2, we expressed an unmodified opinion on the complete set of financial statements.

Management’s Responsibility for the Summarized Audited Financial Statements

Management is responsible for the appropriate summarization of the complete set of audited financial statements. This responsibility includes ensuring: that the summarized audited financial statements are in agreement with or can be recalculated from the related information in the complete set of audited financial statements; that the summarized audited financial statements have been prepared, in all material respects, in accordance with [describe the established criteria]; and that the summarized audited financial statements contain, in all material respects, the information necessary in the circumstances so as not to result in misrepresentation of the complete set of audited financial statements, including the related notes.

Auditor’s Responsibility

Our responsibility is to express an opinion on the summarized audited financial statements based on our procedures. Our procedures were conducted in accordance with the relevant requirements of International Standard on Auditing (ISA) 810, “The Independent Auditor’s Report on Summarized Audited Historical Financial Information.”

Our procedures consisted primarily of a comparison of the summarized audited financial statements with the information in the complete set of audited financial statements; an evaluation whether the summarized audited financial statements have been prepared, in all material respects, in accordance with [describe the established criteria]; and an evaluation whether the summarized audited financial statements contain, in all material respects, the information necessary in the circumstances so as not to result in misrepresentation of the complete set of audited financial statements, including the related notes.

Opinion

In our opinion, the summarized audited financial statements appropriately summarize, in all material respects, the complete set of audited financial statements of ABC Company for the year ended December 31, 20X1 in accordance with [describe the established criteria].

Notice to Reader

The summarized audited financial statements do not contain all the disclosures required by the financial reporting framework applied in preparing and presenting the complete set of audited financial statements. For more information on the complete set of audited financial statements, and the scope of the audit performed on those financial statements, reference should be made to the complete set of audited financial statements and the related auditor’s report.

[Auditor’s signature]

[Date of the auditor’s report]

[Auditor’s address]

Example 3:

Engagement circumstances include the following:

- **Summarized audited financial statements derived from a complete set of audited financial statements.**
- **Unmodified opinion was expressed on the complete set of audited financial statements.**
- **Established criteria for preparing and presenting summarized audited financial information exist.**
- **Circumstances described in paragraphs 8 and 15 of this ISA exist.**

INDEPENDENT AUDITOR’S REPORT

[Appropriate Addressee]

The accompanying summarized audited financial statements, which comprise the summarized balance sheet as at December 31, 20X1, and the summarized income statement, summarized statement of changes in equity and summarized cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, were derived from the complete set of audited financial statements of ABC Company for the year ended December 31, 20X1. The complete set of audited financial statements was issued on February 15, 20X2. The complete set of audited financial statements and summarized audited financial statements do not reflect the effects of events that occurred subsequent to the date of the auditor’s report on the complete set of financial statements.

We have audited the complete set of financial statements of ABC Company for the year ended December 31, 20X1 in accordance with International Standards on Auditing. In our report dated February 15, 20X2, we expressed an unmodified opinion on the complete set of financial statements.

Management’s Responsibility for the Summarized Audited Financial Statements

Management is responsible for the summarization of the complete set of audited financial statements in accordance with [describe the established criteria]. This responsibility includes ensuring that the summarized audited financial statements are in agreement with or can be recalculated from the related information in the complete set of audited financial statements.

Auditor’s Responsibility

Our responsibility is to express an opinion on the summarized audited financial statements based on our procedures. Our procedures were conducted in accordance with the relevant requirements of International Standard on Auditing (ISA) 810, “The Independent Auditor’s Report on Summarized Audited Historical Financial Information.”

Our procedures consisted primarily of a comparison of the summarized audited financial statements with the information in the complete set of audited financial statements; and an evaluation whether the summarized audited financial statements have been prepared, in all material respects, in accordance with [describe the established criteria].

Opinion

In our opinion, the summarized audited financial statements have been prepared, in all material respects, in accordance with [describe the established criteria].

Notice to Reader

The summarized audited financial statements do not contain all the disclosures required by the financial reporting framework applied in preparing and presenting the complete set of audited financial statements.

[Auditor’s signature]

[Date of the auditor’s report]

[Auditor’s address]

Example 4:

Engagement circumstances include the following:

- **Summarized audited financial statements derived from a complete set of audited financial statements.**
- **Modified opinion was expressed on the complete set of audited financial statements.**
- **Established criteria for preparing and presenting summarized audited financial information do not exist.**
- **Circumstances described in paragraphs 8 and 15 of this ISA do not exist.**

INDEPENDENT AUDITOR’S REPORT

[Appropriate Addressee]

The accompanying summarized audited financial statements, which comprise the summarized balance sheet as at December 31, 20X1, and the summarized income statement, summarized statement of changes in equity and summarized cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, were derived from the complete set of audited financial statements of ABC Company for the year ended December 31, 20X1. The complete set of audited financial statements was issued on February 15, 20X2. The complete set of audited financial statements and summarized audited financial statements do not reflect the effects of events that occurred subsequent to the date of the auditor’s report on the complete set of financial statements.

We have audited complete set of financial statements of ABC Company for the year ended December 31, 20X1 in accordance with International Standards on Auditing. In our report dated February 15, 20X2, we expressed [describe type of opinion] on those financial statements. Our opinion stated that [describe opinion and the effect that the subject thereof had on the historical financial information].^{4 5}

Management’s Responsibility for the Summarized Audited Financial Statements

Management is responsible for the appropriate summarization of the complete set of audited financial statements. This responsibility includes ensuring: that the summarized audited financial statements are in agreement with or can be recalculated from the related information in the complete set of audited financial statements; and that the summarized audited financial statements contain, in all material respects, the information necessary in the circumstances so as not to result in misrepresentation of the complete set of audited financial statements, including the related notes.

⁴ If the summarized financial statements are affected by the subject of the modification, this paragraph should also describe the effect thereof on the summarized financial statements.

⁵ The modification to the auditor’s report on the complete set of financial statements may be an emphasis of matter paragraph or other matter paragraph in which case the wording in this paragraph should be adapted accordingly.

Auditor’s Responsibility

Our responsibility is to express an opinion on the summarized audited financial statements based on our procedures. Our procedures were conducted in accordance with the relevant requirements of International Standard on Auditing (ISA) 810, “The Independent Auditor’s Report on Summarized Audited Historical Financial Information.”

Our procedures consisted primarily of a comparison of the summarized audited financial statements with the information in the complete set of audited financial statements; and an evaluation whether the summarized audited financial statements contain, in all material respects, the information necessary in the circumstances so as not to result in misrepresentation of the complete set of audited financial statements, including the related notes.

Opinion

In our opinion, the summarized audited financial statements appropriately summarize, in all material respects, the complete set of audited financial statements of ABC Company for the year ended December 31, 20X1.

Notice to Reader

The summarized audited financial statements do not contain all the disclosures required by the financial reporting framework applied in preparing and presenting the complete set of audited financial statements. For more information on the complete set of audited financial statements, the scope of the audit performed and [describe type of opinion] expressed on those financial statements, reference should be made to the complete set of audited financial statements and the related auditor’s report.

[Auditor’s signature]

[Date of the auditor’s report]

[Auditor’s address]

Example 5:

Engagement circumstances include the following:

- **Summarized audited financial statements derived from a complete set of audited financial statements.**
- **Unmodified opinion was expressed on the complete set of audited financial statements.**
- **Established criteria for preparing and presenting summarized audited financial information do not exist.**
- **Modified opinion is expressed on the summarized audited financial statements.**
- **Circumstances described in paragraphs 8 and 15 of this ISA do not exist.**

INDEPENDENT AUDITOR'S REPORT

[Appropriate Addressee]

The accompanying summarized audited financial statements, which comprise the summarized balance sheet as at December 31, 20X1, and the summarized income statement, summarized statement of changes in equity and summarized cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes, were derived from the complete set of audited financial statements of ABC Company for the year ended December 31, 20X1. The complete set of audited financial statements was issued on February 15, 20X2. The complete set of audited financial statements and summarized audited financial statements do not reflect the effects of events that occurred subsequent to the date of the auditor's report on the complete set of audited financial statements.

We have audited the complete set of financial statements of ABC Company for the year ended December 31, 20X1 in accordance with International Standards on Auditing. In our report dated February 15, 20X2 we expressed an unmodified opinion on the complete set of financial statements.

Management's Responsibility for the Summarized Audited Financial Statements

Management is responsible for the appropriate summarization of the complete set of audited financial statements. This responsibility includes ensuring: that the summarized audited financial statements are in agreement with or can be recalculated from the related information in the complete set of audited financial statements; and that the summarized audited financial statements contain, in all material respects, the information necessary in the circumstances so as not to result in misrepresentation of the complete set of audited financial statements, including the related notes.

Auditor's Responsibility

Our responsibility is to express an opinion on the summarized audited financial statements based on our procedures. Our procedures were conducted in accordance with the relevant requirements of International Standard on Auditing (ISA) 810, "The Independent Auditor's Report on Summarized Audited Historical Financial Information."

Our procedures consisted primarily of a comparison of the summarized audited financial statements with the information in the complete set of audited financial statements; and an evaluation whether the summarized audited financial statements contain, in all material respects, the information necessary in the circumstances so as not to result in misrepresentation of the complete set of audited financial statements, including the related notes.

Opinion

[Describe matter that caused the summarized audited financial statements not to appropriately summarize, in all material respects, the historical financial information.] Therefore, in our opinion, the summarized audited financial statements do not appropriately summarize, in all material respects, the complete set of audited financial statements of ABC Company for the year ended December 31, 20X1.

Notice to Reader

The summarized audited financial statements do not contain all the disclosures required by the financial reporting framework applied in preparing and presenting the complete set of audited financial statements. For more information on the complete set of audited financial statements, and the scope of the audit performed on those financial statements, reference should be made to the complete set of audited financial statements and the related auditor’s report.

[Auditor’s signature]

[Date of the auditor’s report]

[Auditor’s address]

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