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Description of content of ISSAI 1580

Written Representations

Reading this description is not a substitute for reading the ISA or ISSAI itself.

ISSAI 1580 is comprised of International Standard on Auditing (ISA) 580 – Written Representations, and a corresponding Practice Note. The ISA and the Practice Note are read together.

Authority

Public Sector auditors using the ISAs or ISSAIs as the authoritative standard shall comply with all ISAs or ISSAIs relevant to the audit. An ISA or ISSAI is relevant to the audit when the ISA or ISSAI is in effect and the circumstances addressed by the ISA or ISSAI exist. The auditor shall not represent compliance with ISAs or ISSAIs in the auditor's report unless the auditor has complied with the requirements of all ISAs or ISSAIs relevant to the audit.

Description of the ISA

ISA 580 deals with the auditor's responsibility to obtain written representations from management and, where appropriate, those charged with governance.

Appendix 1 of the ISA lists other ISAs containing subject-matter specific requirements for written representations. The specific requirements for written representations of other ISAs do not limit the application of the ISA.

Objective of the auditor in terms of the ISA

The objectives of the auditor are:

- a. To obtain written representations from management and, where appropriate, those charged with governance that they believe that they have fulfilled their responsibility for the preparation of the financial statements and for the completeness of the information provided to the auditor;
- b. To support other audit evidence relevant to the financial statements or specific assertions in the financial statements by

means of written representations if determined necessary by the auditor or required by other ISAs; and

- c. To respond appropriately to written representations provided by management and, where appropriate, those charged with governance, or if management or, where appropriate, those charged with governance do not provide the written representations requested by the auditor.

Among other matters, the requirements in this ISA deal with:

- a. Requesting written representations from those charged with governance. This representation shall cover an assertion that those charged with governance have fulfilled their responsibility for the preparation and presentation of the financial statements in accordance with the applicable financial reporting framework, a statement that the auditor has been provided with all relevant information and a statement that all transactions have been recorded and are reflected in the financial statements.
- b. Requesting other written representations to support other audit evidence relevant to the financial statements or to one or more specific assertions in the financial statements.
- c. How the auditor shall respond to doubts as to the reliability of written representations.
- d. How the auditor shall respond if the written representations requested are not provided.

Description of the Practice Note

The Practice Notes provides supplementary guidance for auditors applying ISA 580 when conducting financial audits of public sector entities.

Content of the Practice Note

The Practice Note provides additional guidance for public sector auditors related to:

- a. Overall considerations when requesting written representations in relation to additional objectives or responsibilities.
- b. Management from whom written representations requested.
- c. Communicating a threshold amount.
- d. Date of and period(s) covered by written representations.
- e. Doubt as to the reliability of written representations and requested written representations not provided.