

Assurance on a Greenhouse Gas Statement – Adaptation of ISA 520, “Analytical Procedures,” Requirements for GHG Statements

Substantive Analytical Procedures

5. When designing and performing substantive analytical procedures, either alone or in combination with tests of details, as substantive procedures in accordance with paragraph xx of this ISAE [or ISAE 3000], ISA 330,⁺ ~~the auditor~~ assurance professional shall:
- (a) Determine the suitability of particular substantive analytical procedures for given assertions, taking account of the assessed risks of material misstatement and tests of details, if any, for these assertions;
 - (b) Evaluate the reliability of data from which the ~~auditor's~~ assurance professional's expectation of recorded ~~amounts~~ quantities or ratios is developed, taking account of source, comparability, and nature and relevance of information available, and controls over preparation;
 - (c) Develop an expectation of recorded ~~amounts~~ quantities or ratios and evaluate whether the expectation is sufficiently precise to identify a misstatement that, individually or when aggregated with other misstatements, may cause the ~~financial statements~~ GHG statement to be materially misstated; and
 - (d) Determine the ~~amount of any difference of between~~ recorded ~~amounts from~~ quantities and expected values quantities that is acceptable without further investigation as required by paragraph 7.

Analytical Procedures that Assist When Forming an Overall Conclusion

6. The ~~auditor~~ assurance professional shall design and perform analytical procedures near the end of the ~~audit~~ engagement that assist the ~~auditor~~ assurance professional when forming an overall conclusion as to whether the ~~financial statements~~ are GHG statement is consistent with the ~~auditor's~~ assurance professional's understanding of the entity.

Investigating Results of Analytical Procedures

7. If analytical procedures performed in accordance with this ISAE identify fluctuations or relationships that are inconsistent with other relevant information or that differs significantly from expected ~~quantities~~ values ~~by a significant amount~~, the ~~auditor~~ assurance professional shall investigate such differences by:
- (a) Inquiring of ~~management~~ the entity and obtaining appropriate ~~audit~~ assurance evidence relevant to ~~management's~~ the entity's responses; and
 - (b) Performing other ~~audit~~ evidence gathering procedures as necessary in the circumstances.

⁺ ~~ISA 330, paragraph 18.~~