

The Truism of the True and Fair View of Auditor's Report

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Abstract : The objective of this paper is to theoretically examine the truism of the "true and fair view" in the context of financial reporting. The paper examines the concepts such as true, fair, true and fair view, problems of true and fair view, the origin/history of true and fair view, review of attributes and key issues relating to true and fair view. The methodological approach adopted in this paper is library-based research, focusing on the review of relevant and related extant literature. The findings based on the review of relevant and related literature is suggestive of the fact that the true and fair concept in financial reporting environment is contentious. The study concludes that given the circumstances as chronicled on this paper, it is evident that the truism of the true and fair view of the auditor's opinion is under serious threat. The way forward may be for the auditor to certify the accuracy and the correctness of the financial statement. While this position being canvassed here may help to substantially bridge the age-long expectation gap, it may as well require an upward review of the current audit fee structure in order to be able to operationalize the onerous task of certifying the accuracy and correctness of the financial statement. This position is contentious and will require a robust consideration which is not within the purview of the present review.

Keywords : fiduciary duty, financial statement, true and correct, true and fair

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