	Alternative 1:	
9.	The auditor can therefore reasonably **conclude that the use of the going concern** assumption for the financial year ended 30 April 2016 **is inappropriate**.	1
10.	If **management refuses to change** (as they have been refusing to reflect the events of the business rescue) **the basis** on which the financial statements are based (from a going concern basis to e.g. a liquidation basis), the auditor should **express an adverse opinion regardless** of whether or not the financial statements include disclosure of the inappropriateness of management's use of the going concern assumption (ISA 570 (*revised)* par 21).	1
	Alternative 2:	
	The auditor can **conclude that the use of the going concern** assumption for the financial year ended 30 April 2016 **is appropriate** as the company has entered into business rescue proceedings.	1
	If we consider the conditions in question 2(a), i.e. the **limitation of scope** due to management refusing the auditors access to information and the fact that management is **refusing to reflect (disclose) the events** of the business rescue proceedings in the annual financial statements, the auditor should **express a qualified opinion (**ISA 570 (*revised*) par 23 and par A.32*: illustrative example 2*).	1
	Alternative 3:	
11.	If **management decides to change the basis** on which the financial statements are based (from a going concern basis to e.g. a liquidation basis) the auditor can **express an unmodified opinion provided** that adequate disclosure is made of the new basis (ISA 570 (*revised)* par A.27).	1
12.	**Disclose** in the **"*Basis for Opinion*" paragraph** that a material uncertainty exists	1
13.	**Include** a separate section in the audit report under the heading **"*Material Uncertainty Related to Going Concern*"**.	1
14.	In the **"*Key Audit Matters*" section** of the audit report **include a reference** to the "*Basis for Opinion*" paragraph where the matter is stated. Note that per ISA 701 (*new*) the matter shall only be stated under the "*Basis for Opinion*" paragraph and only a reference is to be included in this section.	1