Audits of Special Purpose Financial Statements, Single Financial Statements and Specific Elements of a Financial Statement

Objective of Agenda Item
1. To approve ISA 800 (Revised and Redrafted), “Special Considerations—Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks” and ISA 805 (Revised and Redrafted), “Special Considerations—Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement.”

Task Force Composition
2. The Task Force members are:
   - Sylvia Smith – Chair, IAASB Technical Advisor
   - Susan Jones – IAASB Member

Activities since Last IAASB discussions
3. The IAASB approved the exposure draft of proposed ISA 800 (Revised and Redrafted), “Special Considerations—Audit of Special Purpose Financial Statements and Specific Elements, Accounts or Items of a Financial Statement” (ED-ISA 800) at its July 2007 meeting. The comment deadline was November 30, 2007.

4. A preliminary analysis of the significant comments was discussed at the March 3-4, 2008 IAASB Consultative Advisory Group (CAG) meeting. The IAASB CAG Representatives did not have significant comments on the matters highlighted for their consideration.

5. A summary of significant comments and the Task Force’s related recommendations are set out in Agenda Item 12-A. The Task Force has revised the proposed ISA based on the responses to the exposure draft.

Consideration of the Need to Re-Expose
6. Agenda Items 12-B and 12-C show in marked text the changes processed to ED-ISA 800. Agenda Item 12-F shows how the requirements and guidance in proposed ED-ISA 800 were split between ISA 800 (Revised and Redrafted) and ISA 805 (Revised and Redrafted).

7. The Task Force is of the view that the changes are in response to matters raised by respondents to the exposure draft. They do not introduce new principles or represent other changes of
substance when compared with the exposure draft. Accordingly, the Task Force is of the view that re-exposure is not necessary.¹

Material Presented (Note: Agenda Items 12-B and 12-C will be used for purposes of discussion at the meeting)

Agenda Item 12-A
(Pages 1285 - 1300)
Summary of Significant Comments and Task Force Recommendations – Exposure Draft of Proposed ISA 800 (Revised and Redrafted), “Special Considerations—Audit of Special Purpose Financial Statements and Specific Elements, Accounts or Items of a Financial Statement”

Agenda Item 12-B
(Page 1301 - 1316)
ISA 800 (Revised and Redrafted), “Special Considerations—Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks” – Marked Up from Exposure Draft

Agenda Item 12-C
(Page 1317 - 1336)
ISA 805 (Revised and Redrafted), “Special Considerations—Audits of Single Financial Statements and Specific Elements, Accounts or Items of a Financial Statement.” – Marked Up from Exposure Draft

Agenda Item 12-D
(Page 1337 - 1350)
ISA 800 (Revised and Redrafted) – Clean

Agenda Item 12-E
(Page 1351 - 1368)
ISA 805 (Revised and Redrafted) – Clean

Agenda Item 12-F
(Page 1369 - 1406)
ED-ISA 800 Compared to ISA 800 (Revised and Redrafted) and ISA 805 (Revised and Redrafted)

Action Requested

8. The IAASB is asked to approve ISA 800 (Revised and Redrafted) and ISA 805 (Revised and Redrafted) as final standards.

¹ IAASB Working Procedures regarding re-exposure state: “Situations that constitute potential grounds for a decision to re-expose may include, for example: substantial change to a proposal arising from matters not aired in the exposure draft such that commentators have not had an opportunity to make their views known to the IAASB before it reaches a final conclusion; substantial change arising from matters not previously deliberated by the IAASB; or substantial change to the substance of an International Standard or Practice Statement.”