

Mr. James Gunn
Technical Director, IAASB
Posted as comment on www.ifac.org

Dear Mr. Gunn

RE: FSR – danske revisorer comments on IAASB Exposure draft (ED) ISA 720 (Revised), The Auditors Responsibilities Relating to Other Information – Proposed Consequential and Conforming Amendments to Other ISAs

FSR – danske revisorer is pleased to provide you with our comments on the ISA 720 (Revised), *The Auditor's Responsibilities Relating to Other information, Proposed Consequential and Conforming Amendments to Other ISAs*. ("ISA 720").

The Danish Auditing Standard Board has prepared the Comment letter. The Danish Auditing Standard Board consists of practitioners and experts from our members.

Through our membership of FEE, we are represented in the FEE working group responsible for commenting on "ISA 720". With this letter, we would like to express our general support of the comments made by FEE in their Comment Letter, dated July 15, 2014.

In addition we have the following two comments:

Audit Reporting on Other Information included in Annual Reports of SMEs

Other information in annual reports of SME's is often limited to a few factual pieces of information required by law, which do not qualify for an audit report of the type proposed in ISA 720.

We would suggest that for SME's an auditor's report on other information is only required in case the auditor in performing the procedures as required in ISA 720 identifies material inconsistencies between other information and the financial statements or material misstatements in other information.

Other Information accompanying Historical Financial Statements other than Annual Reports

Annual Reports as defined in ISA 720 (revised) comprise only a part of historical financial informations subject to audit. Such other historical financial information may or may not be prepared in accordance with general accepted accounting frameworks and may or may not be accompanied by other information.

The proposed ISA 720 seems only to deal with auditor's responsibility relating to other information included in the Annual Report, and does as such not provide any guidelines relating to auditor's responsibility for other information accompanying other types of audited historical financial information.

We will suggest that ISA 720 should be applicable and adapted as necessary in the circumstances where other information are accompanying audited financial statements, although not fulfilling the definition in ISA 720 of being annual report.

As suggested above in relation to the annual reports of SMEs, audit reporting on such other information should only be required when the auditor identifies material inconsistencies between other information and the financial statements or material misstatements in other information.

For further information, please contact Lisbeth Kjersgaard via e-mail lik@fsr.dk

Yours sincerely

Lisbeth Kjersgaard

FSR – danske revisorer, Danish Auditing Standard Board, Secretary

