



Committee: IAASB Consultative Advisory Group

Meeting Location: Washington

Meeting Date: September 9-11, 2009

Role of CAG and IAASB-CAG Interaction

Objective of Agenda Item

1. To provide an overview of the role of IAASB CAG and the interaction between the IAASB and the CAG required under the amended IAASB CAG Terms of Reference and IFAC's Due Process and Working Procedures provisionally approved by the PIOB¹.

CAG Terms of Reference

2. Agenda Items G.1 sets out the amended IAASB CAG Terms of Reference.² The CAG's attention is drawn to the following in particular:
 - CAG Chair attendance at IAASB meetings – **Refer to paragraph 3 of Agenda Item G.1.**
 - Minutes of private sessions – **Refer to paragraph 10 of Agenda Item G.1.**

CAG-Related Due Process and Working Procedures

3. Agenda Item G.2 sets out the amended PIAC Due Process and Working Procedures document.² The CAG's attention is drawn to the following provisions that are relevant to CAG's interaction with the IAASB over the course of an IAASB standard-setting project:
 - Strategy and work program development – **Refer to paragraph 17 of Agenda Item G.2.**
 - Project development, including reporting to IAASB and reporting back to CAG – **Refer to paragraphs 18-19 and paragraphs A32-A35 of Agenda Item G.2.**

¹ During 2008 IFAC undertook its first triennial review of its Public Interest Activity Committees' (PIAC) Terms of Reference and the PIAC Due Process and Working Procedures document, along with any consequential amendments to the CAGs' Terms of Reference. In April 2009 the PIOB reported that it had approved the proposed amendments to these documents as presented, subject to certain editorial changes. It is anticipated that the IFAC Board will approve these amended documents at its November 2009 meeting, with a final report back provided at the December 2009 PIOB meeting.

² Text that is shown as marked represents editorial changes suggested by the PIOB. Similar amendments are proposed to the IESBA and IAESB CAG Terms of Reference.

IAASB CAG PAPER

IAASB CAG Agenda (September 2009)

Agenda Item G

Role of CAG and IAASB-CAG Interaction

- Advising PIOB on IAASB-CAG interaction in accordance with due process – ***Refer to paragraph 28 and paragraphs A45-A46 of Agenda Item G.2.***
- 4. It is anticipated that the provisions of the amended due process will apply prospectively to all IAASB's current projects, except proposed ISAE 3402³ for which the current due process will apply. (The IAASB commenced development of ISAE 3402 at the same time it began the revision of ISA 402⁴ as part of the Clarity project. The IAASB expects to approve ISAE 3402 at its September 2009 meeting.)

Material Presented – IAASB CAG PAPERS

Agenda Item G.1 Amended IAASB CAG Terms of Reference

Agenda Item G.2 Amended PIAC Due Process and Working Procedures

³ ISAE 3402, "Assurance Reports on Controls at a Service Organization."

⁴ ISA 402, "Audit Considerations Relating to an Entity Using a Service Organization."