

**Meeting:** IAASB Consultative Advisory Group (CAG)

**Meeting Location:** Teleconference

**Meeting Dates:** December 2, 2015

## Agenda Item B

### Auditor Reporting – Proposed ISA 810 (Revised)

#### Objectives of Agenda Item

1. To provide a summary of the significant issues raised in the responses to the August 2015 Exposure Draft of proposed ISA 810 (Revised).<sup>1</sup>
2. To obtain views on the Drafting Team's (DT) proposed revisions to ISA 810 (Revised) based on the feedback to the ED.

#### Papers to be Referred to During Discussion

3. The IAASB continues to progress its work toward the development of those consequential amendments to ISA 810 that are considered necessary in light of the broader Auditor Reporting project.<sup>2</sup> The IAASB is planning to consider the DT's further revisions to its proposed consequential amendments relating to ISA 810, with a view towards approval at its December 2015 meeting.
4. **Agenda Item B.1** includes a summary of the significant issues raised in the responses to the ISA 810 ED and the DT's proposed revisions, which are shown as marked changes from the ED in **Agenda Item B.2**.

#### Project Status and Timeline

5. The Appendix to this paper provides a history of previous discussions with the CAG on matters relating to the ISA 810 consequential amendments resulting from the Auditor Reporting project, including links to the relevant CAG documentation.
6. The CAG discussed the DT's recommendations to make limited amendments to ISA 810 arising from the new and revised Auditor Reporting standards at its March 2015 meeting. The report back on those discussions can be found in [Agenda Item J.4](#) from the September 2015 CAG meeting. There were no matters raised in September 2015 on which to report back.

#### IAASB Interaction with the IAASB CAG with Respect to Proposed ISA 810 (Revised)

7. The substantive issues being raised for the purposes of the December 2015 IAASB meeting are included in this paper and **Agenda Items B.1** and **B.2**. Accordingly, this serves as the final discussion of ISA 810 prior to its anticipated approval by the IAASB. Representatives and Observers may wish

<sup>1</sup> Proposed ISA 810 (Revised), *Engagements to Report on Summary Financial Statements*

<sup>2</sup> The IAASB's changes to the ISAs addressing auditor reporting on complete sets of general purpose financial statements, including ISA 700 (Revised), *Forming an Opinion and Reporting on Financial Statements*, were issued in January 2015 and will be effective for audits of financial statements for periods ending on or after December 15, 2016.

to take this opportunity to comment on the IAASB's interaction with the CAG during the development and finalization of proposed ISA 810 (Revised). As noted above, the Appendix to this paper provides a project history, including links to the relevant CAG documentation.

**Matters for CAG Consideration**

1. Representatives and Observers are asked to provide input on DT-700's suggested changes to proposed ISA 810 (Revised) as included in **Agenda Item B.2**.
2. Representatives and Observers are asked to share any further comments on matters relevant to finalizing the consequential amendments to ISA 810.

**Material Presented – IAASB CAG PAPER**

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| Agenda Item B.1 | ISA 810–Issues and Drafting Team Recommendations                      |
| Agenda Item B.2 | Proposed ISA 810 (Revised)–marked from the August 2015 Exposure Draft |

**Material Presented – FOR IAASB CAG REFERENCE PURPOSES ONLY**

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| Exposure Draft, <i>Proposed ISA 810 (Revised)</i> ,<br><i>Engagements for Summary Financial Statements</i> | <a href="http://www.ifac.org/publications-resources/proposed-international-standard-auditing-isa-810-revised">http://www.ifac.org/publications-resources/proposed-international-standard-auditing-isa-810-revised</a> |
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**Appendix**

**Project: Auditor Reporting, Including Consequential Amendments to ISA 800 Series (including ISA 810)**

**Summary**

|   | <b>CAG Meeting</b>   | <b>IAASB Meeting</b>  |
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| Report of IAASB Working Group – key findings from academic research studies on user perceptions of the standard auditor's report                    | March 2010   | December 2009   |
| Issues Paper and IAASB Working Group Proposals  | -  | December 2010   |
| Development of Proposed Consultation Paper  | March 2011   | March 2011<br>May 2011  |
| Consultation – May 2011   |  |   |
| Further Discussion  | September 2011   |   |
| Discussion of Project Proposal and Issues   | March 2012   | December 2011<br>March 2012   |
| Discussion of the Invitation to Comment   | September 2012 (limited discussion as CAG Representatives participated in the September/October 2012 roundtables | April 2012<br>June 2012   |
| Discussion of Feedback from Invitation to Comment and Development of the Exposure Draft   | April 2013<br>September 2013   | September 2012<br>December 2012<br>February 2013<br>April 2013<br>June 2013 |
| Discussion of Feedback from Exposure Draft and Development of Final ISAs – Main Auditor Reporting project   | March 2014<br>September 2014   | March 2014<br>June 2014<br>September 2014                                   |
| Continued Discussion on ISA 800 Series, Including Development of the Exposure Drafts <sup>3</sup> and Discussion of Feedback on the Exposure Drafts | March 2015<br>September 2015   | December 2014<br>March 2015<br>June 2015                                    |

<sup>3</sup> The [new and revised Auditor Reporting standards](#) were released in January 2015. IAASB discussions of auditor reporting since December 2014 relate to proposed changes to ISA 800, ISA 805 and ISA 810, as a result of the enhancements resulting from the new and revised Auditor Reporting standards. The [ISA 800/ 805 ED](#) was released in January 2015. The [ISA 810 ED](#) was released in July 2015.

## CAG Discussions: Detailed References

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| Report of IAASB Working Group – key findings from academic research studies on user perceptions of the standard auditor's report | <p><u>March 2010</u></p> <p>See IAASB CAG meeting material:<br/> <a href="http://www.ifac.org/IAASB/Meeting-FileDL.php?FID=5253">http://www.ifac.org/IAASB/Meeting-FileDL.php?FID=5253</a></p> <p>See CAG meeting minutes (in Agenda Item D of the following material):<br/> <a href="http://www.ifac.org/IAASB/Meeting-FileDL.php?FID=5882">http://www.ifac.org/IAASB/Meeting-FileDL.php?FID=5882</a></p> <p>See report back on March 2010 CAG meeting (in paragraph 12 of the following material):<br/> <a href="http://www.ifac.org/IAASB/Meeting-FileDL.php?FID=6095">http://www.ifac.org/IAASB/Meeting-FileDL.php?FID=6095</a></p>   |
| Development of Proposed Consultation Paper   | <p><u>March 2011</u></p> <p>See IAASB CAG meeting material:<br/> <a href="http://www.ifac.org/IAASB/Meeting-FileDL.php?FID=6095">http://www.ifac.org/IAASB/Meeting-FileDL.php?FID=6095</a><br/> <a href="http://www.ifac.org/IAASB/Meeting-FileDL.php?FID=6096">http://www.ifac.org/IAASB/Meeting-FileDL.php?FID=6096</a></p> <p>See CAG meeting minutes (in Agenda Item M of the following):<br/> <a href="http://www.ifac.org/sites/default/files/meetings/files/20110912-IAASBCAG-AgendaItemA-Final_March_2011_Public_Minutes_APPROVED-v1-03.pdf">http://www.ifac.org/sites/default/files/meetings/files/20110912-IAASBCAG-AgendaItemA-Final_March_2011_Public_Minutes_APPROVED-v1-03.pdf</a></p> <p>See report back on March 2011 CAG meeting (in paragraph 1 of the following):<br/> <a href="http://www.ifac.org/sites/default/files/meetings/files/20110912-IAASBCAG-AgendaItemH1-Auditor-Reporting-V1-02.pdf">http://www.ifac.org/sites/default/files/meetings/files/20110912-IAASBCAG-AgendaItemH1-Auditor-Reporting-V1-02.pdf</a></p> |
| Further Discussion   | <p><u>September 2011</u></p> <p>See IAASB CAG meeting material:<br/> <a href="http://www.ifac.org/sites/default/files/meetings/files/20110912-IAASBCAG-AgendaItemH-Auditor-Reporting-V1-02.pdf">http://www.ifac.org/sites/default/files/meetings/files/20110912-IAASBCAG-AgendaItemH-Auditor-Reporting-V1-02.pdf</a><br/> <a href="http://www.ifac.org/sites/default/files/meetings/files/20110912-IAASBCAG-AgendaItemH1-Auditor-Reporting-V1-02.pdf">http://www.ifac.org/sites/default/files/meetings/files/20110912-IAASBCAG-AgendaItemH1-Auditor-Reporting-V1-02.pdf</a></p> <p>See CAG meeting minutes (in Agenda Item H of the following material):<br/> <a href="http://www.ifac.org/sites/default/files/meetings/files/20120306-IAASBCAG-Agenda_Item_A-September_2011_Public_Minutes-APPROVED.pdf">http://www.ifac.org/sites/default/files/meetings/files/20120306-IAASBCAG-Agenda_Item_A-September_2011_Public_Minutes-APPROVED.pdf</a></p>   |
| Discussion of the Project Proposal and Issues  | <p><u>March 2012</u></p> <p>See IAASB CAG meeting material included in Agenda Items G, H, K, L and M:<br/> <a href="http://www.ifac.org/meetings/brussels-belgium">http://www.ifac.org/meetings/brussels-belgium</a></p> <p>See CAG meeting Minutes (in Agenda Items G, H, K, L, and M of the following material):<br/> <a href="http://www.ifac.org/sites/default/files/meetings/files/20120911-IAASBCAG-Agenda_Item_A_March%202012_Public%20Minutes-APPROVED.pdf">http://www.ifac.org/sites/default/files/meetings/files/20120911-IAASBCAG-Agenda_Item_A_March%202012_Public%20Minutes-APPROVED.pdf</a></p> <p>See report back on March 2012 CAG meeting:<br/> <a href="http://www.ifac.org/sites/default/files/meetings/files/20120911-IAASBCAG-Agenda_Item_F1-Auditor_Reporting_Report_Back-v4.pdf">http://www.ifac.org/sites/default/files/meetings/files/20120911-IAASBCAG-Agenda_Item_F1-Auditor_Reporting_Report_Back-v4.pdf</a></p>  |

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| Discussion of the Invitation to Comment and Development of the Exposure Draft | <p><u>September 2012</u></p> <p>See IAASB CAG meeting material:</p> <p><a href="http://www.ifac.org/sites/default/files/meetings/files/20120911-IAASBCAG-Agenda_Item_F1-Auditor_Reporting_Report_Back-v4.pdf">http://www.ifac.org/sites/default/files/meetings/files/20120911-IAASBCAG-Agenda_Item_F1-Auditor_Reporting_Report_Back-v4.pdf</a></p> <p>See CAG meeting minutes (in Agenda Item F of the following):</p> <p><a href="http://www.ifac.org/sites/default/files/meetings/files/20130408-IAASB-CAG-Agenda_Item_A-Public_Minutes-v5-APPROVED_0.pdf">http://www.ifac.org/sites/default/files/meetings/files/20130408-IAASB-CAG-Agenda_Item_A-Public_Minutes-v5-APPROVED_0.pdf</a></p> |
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| <p>Discussion of Feedback from Invitation to Comment and Development of the Exposure Drafts of ISA 700 Series</p> | <p><u>April 2013</u></p> <p>See IAASB CAG meeting material included in Agenda Items B, B.1, B.2, B.3, B.4, B.5, B.6 and B.7.</p> <p><a href="http://www.ifac.org/meetings/new-york-usa-1">http://www.ifac.org/meetings/new-york-usa-1</a></p> <p>See CAG final approved meeting minutes (in Agenda Item B of the following):</p> <p><a href="http://www.ifac.org/sites/default/files/meetings/files/April%202013%20IAASB%20CAG%20Public%20Minutes%20a%20Approved.pdf">http://www.ifac.org/sites/default/files/meetings/files/April%202013%20IAASB%20CAG%20Public%20Minutes%20a%20Approved.pdf</a></p> <p>See report back on April 2013 CAG meeting:</p> <p><a href="http://www.ifac.org/sites/default/files/meetings/files/20130909-IAASB-CAG-Agenda_Item_C-Auditor_Reporting_Report_Back-final.pdf">http://www.ifac.org/sites/default/files/meetings/files/20130909-IAASB-CAG-Agenda_Item_C-Auditor_Reporting_Report_Back-final.pdf</a></p> <p><u>September 2013</u></p> <p>See IAASB CAG meeting material:</p> <p><a href="http://www.ifac.org/sites/default/files/meetings/files/20130909-IAASB-CAG-Agenda_Item_C-Auditor_Reporting_Report_Back-final.pdf">http://www.ifac.org/sites/default/files/meetings/files/20130909-IAASB-CAG-Agenda_Item_C-Auditor_Reporting_Report_Back-final.pdf</a></p> <p>See CAG final approved meeting minutes (in Agenda Item C of the following):</p> <p><a href="http://www.ifac.org/meetings/new-york-usa-2">http://www.ifac.org/meetings/new-york-usa-2</a></p> <p>See report back on September 2013 CAG meeting included in Agenda Item C of the following</p> <p><a href="http://www.ifac.org/meetings/new-york-usa-3">http://www.ifac.org/meetings/new-york-usa-3</a></p> <p><u>March 2014</u></p> <p>See IAASB CAG meeting material included in Agenda Items C, C.1., C.2 and C.3.</p> <p><a href="http://www.ifac.org/meetings/new-york-usa-3">http://www.ifac.org/meetings/new-york-usa-3</a></p> <p>See CAG final approved meeting minutes (in Agenda Item A of the following):</p> <p><a href="http://www.ifac.org/meetings/new-york-usa-4">http://www.ifac.org/meetings/new-york-usa-4</a></p> <p>See report back on March 2014 CAG meeting included in paragraph 13 of Agenda Item DGI, and in paragraph 3 of Agenda Items D.1, G.1 and I.1 available at <a href="http://www.ifac.org/meetings/new-york-usa-4">http://www.ifac.org/meetings/new-york-usa-4</a></p> <p><u>September 2014</u></p> <p>See IAASB CAG meeting material included in Agenda Items DGI, D.1, D.2, D.3, D.4, G.1, G.2, G.3, I.1 and I.2</p> <p>See CAG meeting minutes in Agenda Item B available at: <a href="http://www.ifac.org/meetings/new-york-usa-4">http://www.ifac.org/meetings/new-york-usa-4</a></p> <p>See report back on September 2014 CAG meeting included in paragraph 5 of Agenda Item D.1 available at <a href="http://www.ifac.org/system/files/meetings/files/20150309-IAASB_CAG_Agenda_Item_D.1-Auditor_Reporting-Reportback-final.pdf">http://www.ifac.org/system/files/meetings/files/20150309-IAASB_CAG_Agenda_Item_D.1-Auditor_Reporting-Reportback-final.pdf</a></p> |
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| <p>Continued Discussion on ISA 800 Series, Including Development of the Exposure Drafts<sup>4</sup> and Discussion of Feedback on the Exposure Drafts</p> | <p><u>March 2015</u><br/> See IAASB CAG meeting material included in Agenda Items D, D.1, D.2 and D.3<br/> See CAG meeting minutes in Agenda Item D available at: <a href="http://www.iaasb.org/system/files/meetings/files/20150911-Agenda_Item_A-Draft-IAASB_CAG_March_2015_Public_Session-Meeting_Minutes-Marked-final.pdf">http://www.iaasb.org/system/files/meetings/files/20150911-Agenda_Item_A-Draft-IAASB_CAG_March_2015_Public_Session-Meeting_Minutes-Marked-final.pdf</a></p>   |
| <p>Continued Discussion on ISA 800 Series including Discussion of Responses to ISA 800 and ISA 805 Exposure Draft and ISA 810 Report Back.</p>            | <p><u>September 2015</u><br/> See IAASB CAG meeting material included in Agenda Items J, J.1, J.2, J.3 and J.4<br/> <a href="http://www.ifac.org/iaasb-cag/meetings/new-york-usa">http://www.ifac.org/iaasb-cag/meetings/new-york-usa</a><br/> See report back on March 2015 CAG meeting discussion relating to ISA 810 included in paragraph 5 of <b>Agenda Item J.4</b> available at: <a href="http://www.ifac.org/system/files/meetings/files/20150915-IAASB_CAG_Agenda_Item_J-4-Auditor_Reporting-ISA_810_Report_Back-final.pdf">http://www.ifac.org/system/files/meetings/files/20150915-IAASB_CAG_Agenda_Item_J-4-Auditor_Reporting-ISA_810_Report_Back-final.pdf</a></p> |

<sup>4</sup> The [new and revised Auditor Reporting standards](#) were released in January 2015. IAASB discussions of auditor reporting since December 2014 relate to proposed changes to ISA 800 and ISA 805 and way forward with respect to ISA 810, as a result of the enhancements resulting from the new and revised Auditor Reporting standards. The [ISA 800/ 805 ED](#) was released in January 2015. The [ISA 810 ED](#) was released in July 2015.