

Meeting: IAASB
Meeting Location: Edinburgh
Meeting Date: June 11-15, 2012

Agenda Item

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Due Process

Objective of Agenda Item

1. To advise the IAASB of the status of due process for proposed International Standard on Review Engagements (ISRE) 2400 (Revised)¹ scheduled for approval at the June 2012 IAASB meeting.

Background

2. The IAASB Technical Director is responsible for advising the IAASB as to whether due process has been followed effectively and with proper regard for the public interest before a final Standard is approved for issue.
3. The following outlines the Technical Director's conclusion and basis thereof with respect to actions up to the June 2012 IAASB meeting for the above proposed Standard. Before final approval of the Standard, the IAASB Technical Director will advise on whether due process has been followed during the course of the June 2012 meeting.

Due Process Up to the Date of the June 2012 IAASB Meeting

4. The Technical Director confirms to the IAASB that, up to the June 2012 IAASB meeting, the above proposed Standard has been developed in accordance with the IAASB's due process.
5. For the proposed ISRE 2400 (Revised), in summary the IAASB:
 - Approved the project proposal for commencement of work to revise extant ISRE 2400.
 - Consulted with the IAASB Consultative Advisory Group (IAASB CAG) on:
 - The proposal to start the project; and
 - The significant issues relating to the development of the proposed ISRE.

Significant comments received through the consultation with the IAASB CAG have been brought to the IAASB's attention, and the Project Task Force has reported back to the IAASB CAG the results of the IAASB's deliberations.

- Approved and issued an exposure draft of the proposed revised ISRE for public comment, together with an explanatory memorandum highlighting, amongst other matters, the significant proposals of the IAASB.

¹ Proposed ISRE 2400 (Revised), *Engagements to Review Historical Financial Statements*

- Considered an analysis of the significant issues raised by respondents on the exposure draft, including an outline of their proposed disposition and, as appropriate, the reasons significant changes recommended by respondents have, or have not, been accepted.
- Having familiarized themselves with the issues raised in comment letters, the IAASB members:
 - Deliberated significant matters raised in the comment letters received, including consideration of whether there were any issues raised by respondents, in addition to those summarized by the Project Task Force, that they considered should be discussed; and
 - Amended the proposed ISRE accordingly.
- Consulted with the IAASB CAG on significant issues raised in comment letters on the exposure draft of the proposed ISRE and the IAASB's related responses. Significant comments received through the consultation with the IAASB CAG have been brought to the IAASB's attention.