

Agreed-Upon Procedures Working Group: an Update

Consultative Advisory Group

March 9, 2016

Paris, France

What We Hope to Achieve at this Session

Report on key messages from outreach undertaken

Identify the key issues the project needs to address

Preliminary views on way forward

Key Messages from Outreach

Value of an AUP engagement

Discussion paper to highlight the benefits and limitations of AUP engagements

Market demand

Market demand is for multi-scope engagements

Recommendations

Some instances of regulators' request for recommendations in conjunction with AUP engagements

Key Issues

Value of an
AUP
engagement

AUP engagements fulfill an important market need

Increased awareness of value proposition of AUP engagement needed

Multi-scope
engagements

Explore the implications of including different engagements in a single report

Consider whether the issue can be accommodated in a revision of ISRS 4400

Coordinate with Integrated Reporting WG

Consider the AuASB's post-implementation review on its guidance on multi-scope engagements

Key Issues

Use of judgment

One view: Procedures should be so precisely specified that there is no need for professional judgment in performing the procedures

Opposing view: The practitioner should not exercise any less professional judgment simply because the procedure was performed in an AUP engagement as opposed to in an audit engagement

Related issue: Exercise of professional judgment in the context of relevant ethical requirements

Key Issues

Update and
introduce greater
flexibility

Ambiguous terminology

Distribution of AUP report

Non-financial information

Proposed Way Forward

Date	Activity
March – May 2016	<ul style="list-style-type: none">• Consultations with Small-Medium Practice Committee, National Standard Setters, and other stakeholders before finalizing a WG Discussion Paper for presentation to the IAASB in June 2016.
June 2016	<ul style="list-style-type: none">• WG to present Discussion Paper to the IAASB for comments before public issuance.
July 2016	<ul style="list-style-type: none">• Issuance of Discussion Paper for public comments.
July – November 2016	<ul style="list-style-type: none">• Further discussions with stakeholders to obtain views on matters identified in the Discussion Paper.
December 2016	<ul style="list-style-type: none">• Discuss comments received on Discussion Paper.• Project proposal and formation of a Task Force.



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