



International Federation of Accountants

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Agenda Item

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Meeting: IAASB
Meeting Location: San Francisco
Meeting Date: December 7-10, 2009

Assurance Reports on Proper Compilation of Pro Forma Financial Information Included in Prospectuses

Objective of Agenda Item

1. To review and approve for exposure the proposed ISAE 3420, “Assurance Reports on the Proper Compilation of Pro Forma Financial Information Included in Prospectuses.”

Task Force

2. Full members:
 - David Swanney, Chair, IAASB Member
 - David Cattermole, KPMG, UK
 - Kevin Desmond, PwC, UK
 - Dr. Christian Feldmueller, PwC, Germany
 - Ashif Kassam, IAASB Member
 - Victoria O’Leary, Ernst & Young, US (seconded to Ernst & Young Global, London) (assisted by Bob Landwehr, Ernst & Young Global Assurance Professional Practice)

Correspondent members:

- Lee Piller, Committee of European Securities Regulators
- Sue Nyman, Grant Thornton, UK
- Steve Ong, Hong Kong Institute of CPAs
- Michel Payen, Deloitte, France
- David Simmonds, Ernst & Young, Australia
- Sandy van Esch, Independent Regulatory Board for Auditors, South Africa
- Bob Widdowson, KPMG, Poland

Activities since Last IAASB Discussions

3. The full members of the Task Force met in October 2009 to consider the comments received from the IAASB and the IAASB CAG in September 2009, and to develop the revised draft of the proposed ISAE. The full and correspondent members subsequently met via teleconference in November 2009 to refine the draft.
4. At the September 2009 meeting, the IAASB had asked the Task Force to circulate a pre-approval draft of the ISAE to the IAASB for comment in advance of the December 2009 IAASB meeting. In the interest of time, however, the Task Force circulated a draft of the ISAE to the IAASB on November 10, 2009 and asked for the IAASB's comments on two specific issues only. The Task Force met via teleconference twice subsequently to consider the comments received from the IAASB on those two issues and to finalize the draft of the ISAE to present at the December 2009 IAASB meeting.

Material Presented

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| Agenda Item 2-A | Assurance Reports on Proper Compilation of Pro Forma Financial Information Included in Prospectuses – Issues and IAASB Task Force Proposals dated Dec 2009 |
| Agenda Item 2-B | Draft ISAE 3420 dated Dec 2009 (Marked from Sept 2009) |
| Agenda Item 2-C | Draft ISAE 3420 dated Dec 2009 |

Draft of the ISAE to be Discussed at the Meeting

5. The Task Force proposes that the **mark-up** version of the revised draft (**Agenda Item 2-B**) be discussed at the meeting.

Action Requested

6. The IAASB is asked to:
 - Consider the issues and Task Force proposals presented in **Agenda Item 2-A**, and the revised draft of the proposed ISAE 3420 presented in **Agenda Item 2-B**; and
 - Approve the proposed ISAE 3420 for exposure.