

Meeting: IAASB
Meeting Location: Paris
Meeting Date: March 14-18, 2011

Agenda Item

7

The Auditor's Responsibilities Relating to Other Information in Documents Containing and Accompanying Audited Financial Statements and the Auditor's Report Thereon

Objectives of Agenda Item

1. To consider the Task Force's proposals on the following:
 - (a) Revisions to ISA 720¹ and ISA 560² in light of inputs received from the IAASB at its September 2010 meeting on significant issues; and
 - (b) Preliminary announcements and auditor association.

Task Force

2. Members:
 - Cédric Gélard, Chair, IAASB Member (supported by Isabelle Tracq-Sengeissen, IAASB Technical Advisor)
 - Arch Archambault, IAASB Member
 - David Swanney, IAASB Member
 - Valdir Coscodai, IAASB Member
 - Marek Grabowski, IAASB Technical Advisor
 - Josephine Jackson, Grant Thornton
 - Sylvia Smith, KPMG
 - Karin Holmerin, International Organization of Supreme Audit Institutions (INTOSAI) Representative
 - Matthew Waldron, CFA Institute

¹ International Standard on Auditing (ISA) 720, *The Auditor's Responsibilities Relating to Other Information in Documents Containing Audited Financial Statements*

² ISA 560, *Subsequent Events*

Background

- ISA 720³ was last revised in 1993.⁴ As part of the IAASB's Clarity Project, the ISA was redrafted (but not revised) and the clarified ISA 720 was released in March 2008.
- At its December 2009 meeting, the IAASB unanimously approved a project proposal to commence work on the revision of ISA 720 to reflect developments in entities' financial reporting practices.

Activities since Last IAASB Discussion

- Since the IAASB's discussion of significant issues to be addressed in the revision of ISA 720 at its September 2010 meeting, the Task Force has held face-to-face and teleconference meetings during October 2010–February 2011.
- At its March 8–9, 2011 meeting, the IAASB CAG will be discussing matters similar to those that will be considered by the IAASB on this project at this meeting. Significant comments raised by Representatives of the CAG will be referred to during the Task Force Chair's presentation.

Material Presented

Agenda Item 7-A	The Auditor's Responsibilities Relating to Other Information in Documents Containing and Accompanying Audited Financial Statements and the Auditor's Report Thereon – Issues and IAASB Task Force Proposals dated March 2011
Agenda Item 7-B	Draft ISA 560 (Revised) dated March 2011 (Marked from Extant ISA 560)
Agenda Item 7-C	Draft ISA 720 (Revised) dated March 2011
Agenda Item 7-D	Extant ISA 720 (<i>For Reference</i>)

Actions Requested

- The IAASB is asked to consider the significant issues presented in **Agenda Item 7-A**, and to provide input and direction to the Task Force on the way forward.
- The Task Force proposes that **Agenda Item 7-B** and **Agenda Item 7-C** be discussed at the meeting.

³ ISA 720, *Other Information in Documents Containing Audited Financial Statements*

⁴ Conforming amendments were made to the old ISA 720 when the IAASB issued its risk assessment standards in October 2003.