

Reporting on Audited Financial Statements: Proposed New and Revised International Standards on Auditing

Comment: While the proposal to add Key Audit Areas is commendable, I believe that revenue recognition should be a mandatory Key Audit Area because research indicates that almost 50% of frauds occur in this area.

Comment: Disclosure of name of engagement partner – it is recommended that the engagement partner also include the accounting body from whom he/she has received the public accounting license as well his/her license number.

Comment: The independence paragraph – it is recommended that the auditor make a statement to the effect that he/she or any other member of the engagement team or the firm do not hold any beneficial interest such as shares in the entity audited.