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Individual Commentary

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March 14, 2013

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

**Proposed Consequential and Conforming Amendments to Other ISAs**

I'm Denise Juvenal this is pleased to have the opportunity to comment on this consultation of The Auditor's Responsibilities Relating to Other Information in Documents Containing or Accompanying Audited Financial Statements and the Auditor's Report Thereon Proposed Consequential and Conforming Amendments to Other ISAs this is my individual commentary for International Auditing and Assurance Standards Board – IAASB/IFAC.

**Guide for Respondents**

The IAASB welcomes comments on all matters addressed in the exposure draft. Comments are most helpful when they refer to specific paragraphs, include the reasons for the comments, and, where appropriate, make specific suggestions for any proposed changes to wording. When a respondent agrees with proposals in this exposure draft (especially those calling for change in current practice), it will be helpful for the IAASB to be made aware of this view.

## **Request for Specific Comments**

**1. Do respondents agree that there is a need to strengthen the auditor's responsibilities with respect to other information? In particular do respondents believe that extending the auditor's responsibilities with respect to the other information reflects costs and benefits appropriately and is in the public interest?**

I agree that the auditor's responsibilities with respect to other information need to strengthen principally in relation internal control, if consider the use in future of reporting elaborated for Integrated Reporting<sup>1</sup> and auditor reporting elaborated for IFAC<sup>2</sup>.

I think that is very important this point has relation with discussion elaborated for The Committee of Sponsoring Organizations of the Treadway Commission (COSO)<sup>3</sup> about Internal Control – Integrated Framework:2013 (Framework), that I consider in this moment the difficult of application of internal control in the organizations.

The internal control in the organizations if don't have structure can be to occur many impacts in the results of external audit, internal audit, reporting, stakeholders and government.

In this case, I have doubt if the extending the auditor's responsibilities with respect to the other information reflects costs and benefits appropriately and is in the public interest are integrated.

I understand that have two points: 1- in relation consulting services 2- structure of organization, the high quality of internal control and experience of professionals has direct impact in the results of auditor's responsibilities in relation other information.

**2. Do respondents agree that broadening the scope of the proposed ISA to include documents that accompany the audited financial statements and the auditor's report thereon is appropriate?**

Yes, I agree that broadening the scope of the proposed ISA to include documents that accompany the audited financial statements and the auditor's report, but I think that is need to have structure for initial observed, I understand that the responsibilities of organization need to be integrated in this process, in relation of prepare of documents and other information important for decision, if the board agree, I don't know.

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<sup>1</sup> <http://www.theiirc.org/consultationdraft2013/>

<sup>2</sup> <http://www.ifac.org/auditing-assurance/auditor-reporting-iaasbs-1-priority>

<sup>3</sup> <http://www.coso.org/documents/COSO%20Release%20March%202013.pdf>

**3. Do respondents find the concept of initial release clear and understandable? In particular, is it clear that initial release may be different from the date the financial statements are issued as defined in ISA 560?**

I think that the concept of initial release is clear and understandable, but I think that is very important observed if subject can be include in the studies about internal control and corporate governance elaborated for IFAC, if agree.

I observe that this ISA 720 complete the ISA 560. The clarification is very important because this research has impact Subsequent Events that can be occur in the organization for many facts.

**4. Do respondents agree that the limited circumstances in which a securities offering document would be in scope (e.g., initial release of the audited financial statements in an initial public offering) are appropriate or should securities offering documents simply be scoped out? If other information in a securities offering document is scoped into the requirements of the proposed ISA in these circumstances, would this be duplicating or conflicting with procedures the auditor may otherwise be required to perform pursuant to national requirements?**

I agree that the limited circumstances in which a securities offering document would be in scope, but for this is need to be very clear in the organizations and local regulators for don't have problems in your implementation.

I think that procedures the auditor need to be integrated local and international, if local regulator used the ISA's elaborated for IFAC, and is to be clear. I think that don't have problems in the considerations of process.

I suggest for the board, if agree, contact local regulators for understand this process and integrated idea of scope of the proposed ISA.

**Request for Specific Comments**

**5. Do respondents consider that the objectives of the proposed ISA are appropriate and clear?**

Yes, I think that the objectives of the proposed ISA are appropriate and clear.

**In particular:**

- ✓ **Do respondents believe that the phrase “in light of the auditor’s understanding of the entity and its environment acquired during the audit” is understandable for the auditor?**

I understand that during the audit, the auditor can be to have good or not informations for include in your reporting, I have doubt about this in relation the practice of process of services of audit, so I agree.

- ✓ **In particular, do the requirements and guidance in the proposed ISA help the auditor to understand what it means to read and consider in light of the auditor’s understanding of the entity and its environment acquired during the course of the audit?**

I think that the requirements and guidance in the proposed ISA help to the auditor to understand what it means to read and consider in light of the auditor’s understanding of the entity and course of the audit.

**(b) Do respondents believe it is clear that the auditor’s responsibilities include reading and considering the other information for consistency with the audited financial statements?**

Yes, I agree that is clear that the auditor’s responsibilities include reading and considering the other information.

**Request for Specific Comments**

**6. Do respondents agree that the definitions of terms of “inconsistency” including the concept of omissions and “a material inconsistency in the other information are appropriate?**

I don’t know if material inconsistency in the other information is appropriate when I observed that the organization don’t have structure for internal control, for me inconsistency in this case not exists. But, if I consider that the organization has high quality of internal control and attend every regulation, if aspect happened in the organization and not include in the process, this fact is omissions, inconsistency or subsequent events?

I have doubt in makes affirmative about this, because can be reflect in others ISA’s elaborated for IFAC, and I understand that if I consider material inconsistency involves every firms that has or not internal control, I don’t know.

**7. Do respondents believe that users of auditors' reports will understand that an inconsistency relates to an inaccuracy in the other information as described in (a) and (b) of the definition, based on reading and considering the other information in light of the auditor's understanding of the entity and its environment acquired during the course of the audit?**

I think that users of auditors' reports will understand that an inconsistency, but I think that definition impact more the users that use this information for makes decision, investors, stakeholders, regulators and government.

#### **Request for Specific Comments**

**8. Do respondents agree with the approach taken in the proposed ISA regarding the nature and extent of the auditor's work with respect to the other information?**

Yes, I agree with the approach taken in the proposed ISA regarding the nature and extent of the auditor's work.

#### **In particular:**

**(a) Do respondents believe the principles-based approach for determining the extent of work the auditor is expected to undertake when reading and considering the other information is appropriate?**

I understand that principles-based approach can be help in the determining the extent of work the auditor.

**(b) Do respondents believe the categories of other information in paragraph A37 and the guidance for the nature and extent of the work effort for each category are appropriate?**

I think that the categories of other information in paragraph A37 and the guidance are appropriate.

**(c) Do respondents agree that the work effort is at the expected level and does not extend the scope of the audit beyond that necessary for the auditor to express an opinion on the financial statements?**

I agree that the work effort is at the expected level and does not extent the scope of the audit for express an opinion on the financial statements.

**9. Do respondents believe that the examples of qualitative and quantitative information included in the Appendix in the proposed ISA are helpful?**

Yes, I agree that the examples of qualitative and quantitative information are helpful.

**Request for Specific Comments**

**10. Do respondents believe it is clear in the proposed requirements what the auditor's response should be if the auditor discovers that the auditor's prior understanding of the entity and its environment acquired during the audit was incorrect or incomplete?**

Yes, I believe it is clear in the proposed requirements what the auditor's response should be if the auditor discovers that the auditor's prior understanding of the entity and can be incorrect or incomplete.

**Request for Specific Comments**

**11. With respect to reporting:**

**(a) Do respondents believe that the terminology (in particular, "read and consider," "in light of our understanding of the entity and its environment acquired during our audit," and "material inconsistencies") used in the statement to be included in the auditor's report under the proposed ISA is clear and understandable for users of the auditor's report?**

I suggest for the board, if agree that contact other local regulators principally in relation about laws that can be have or not impact in this consideration, principally when include every organizations in this process.

**(b) Do respondents believe it is clear that the conclusion that states "no audit opinion or review conclusion" properly conveys that there is no assurance being expressed with respect to the other information?**

Yes, I agree that is clear that the conclusion that states "no audit or review conclusion" with respect to the other information.

**12. Do respondents believe that the level of assurance being provided with respect to other information is appropriate? If not, what type of engagement would provide such assurance?**

I think that the level of assurance being provided with respect to other information is appropriate.

**Request for General Comments**

In addition to the requests for specific comments above, the IAASB is also seeking comments on the matters set out below:

**(a) *Preparers (including Small- and Medium-Sized Entities (SMEs)), and users (including Regulators)***—The IAASB invites comments on the proposed ISA from preparers (particularly with respect to the practical impacts of the proposed ISA), and users (particularly with respect to the reporting aspects of the proposed ISA).

I consider very important this study for Preparers including SMEs, considering the used in the future.

**(b) *Developing Nations***—Recognizing that many developing nations have adopted or are in the process of adopting the International Standards, the IAASB invites respondents from these nations to comment on the proposed ISA, in particular, on any foreseeable difficulties in applying it in a developing nation environment.

I consider very important this study for Developing Nations, considering the adoption and process the International Standards.

**(c) *Translations***—Recognizing that many respondents may intend to translate the final ISA for adoption in their own environments, the IAASB welcomes comment on potential translation issues respondents may note in reviewing the proposed ISA.

I consider very important this study for Translations, considering translate the final ISA for adoption in their environments.

**(d) *Effective Date***—Recognizing that the proposed ISA is a substantive revision, and given the need for national due process and translation, as applicable, the IAASB believes that an appropriate effective date for the standard would be 12–15 months after issuance of the final standard. Earlier application would be permitted. The IAASB welcomes comment on whether this would provide a sufficient period to support effective implementation of the ISA.

I agree with effective date for this proposed ISA including the due process.

Thank you for opportunity for comments this proposal; if you have questions do not hesitate contact to me, [rio1042370@terra.com.br](mailto:rio1042370@terra.com.br).

Yours Sincerely,

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