

## **Translating the Pronouncements of the IAASB – Issues Paper**

### **Background**

1. An initiative of the IAASB is to promote the global acceptance of ISAs and to bring about convergence on an international basis. One of the Outputs under this initiative (i.e. Initiative B) in the IAASB Action Plan 2003–2004 is “an official IAASB definition of the key words within ISAs to ensure they are used consistently and accurately in translated versions of ISAs.” This issues paper contains a proposal with regard to the key words.
2. In addition to the above, the IAASB Staff, has identified a need for a formalized translation process that could be adopted by National Professional Accountancy Bodies should they wish their translated IAASB pronouncements to state that the translation was conducted under the auspices of the IAASB. A proposed policy statement is included as Agenda Item 4-B.

### **Key Words**

3. IAASB Staff proposes that the key words should be limited to the IAASB Glossary of Terms and the Lexicon of Words and Phrases Used in IAASB Pronouncements (Lexicon).
4. In addition, it is proposed that the following process be followed in this regard:
  - (a) IAASB Staff should revise the IAASB Glossary of Terms and the Lexicon. The revision should be based on ISAs issued as at June 30, 2003. (The proposed revised Lexicon may be impacted by the outcome of the IAASB deliberations on the use of “should” and bold type text.)
  - (b) The IAASB should establish a small task force of IAASB members that could review the work of the IAASB Staff. (As the Glossary of Terms is limited to definitions contained in the ISAs, these definitions have already been approved by the IAASB and there should be no need for IAASB approval of the proposed revised Glossary of Terms).
  - (c) The Revisions Sub-committee should review the proposed revised Lexicon.
  - (d) Once finalized, these documents should be posted to the Leadership Intranet with access provided to those National Professional Accountancy Bodies whose translation processes have been approved by the IAASB Technical Director. (Refer paragraph 22 of the proposed policy statement – Agenda Item 4-B.)
  - (e) The Glossary of Terms should be updated on a continuous basis as follows:
    - (i) IAASB Task Forces should prepare conforming changes to the Glossary of Terms (and Lexicon) arising as a result of a proposed new or revised ISA.
    - (ii) Once a National Professional Accountancy Body’s translation process is completed, it should communicate any proposed clarifications or amendments to the English text of the Glossary or Lexicon to the IAASB Technical Director. (Refer paragraph 16 of the proposed policy statement – Agenda Item 4-B.)

Additions or amendments to the Glossary of Terms should be reviewed by the small task force to be established by the IAASB (refer (b) above) and to the Lexicon by the Revisions Sub-committee.

**Action Required by IAASB**

- Does the IAASB agree with the proposal of using the Glossary of Terms and Lexicon as the Key Words?
- Does the IAASB agree with the proposed process to be followed with regard to revising the Glossary of Terms and Lexicon?
- If so, which IAASB members should serve on the proposed small task force?

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