Responding to Non-Compliance or Suspected Non-Compliance with Laws and Regulations (NOCLAR)

Objectives of Agenda Item

1. The objectives of the IAASB discussion at its June 2015 meeting are to:
   (a) Approve a project proposal on amendments to International Standards in response to the International Ethics Standards Board for Accountants’ (IESBA) project on NOCLAR.
   (b) Approve the proposed amendments to the International Standards for exposure and agree an appropriate exposure period.

Working Group

2. The Working Group comprises:
   • Brendan Murtagh, Chair, IAASB Member;
   • Jean Blascos, IAASB Member;
   • Marek Grabowski, IAASB Member; and
   • Chuck Landes, IAASB Deputy Chair.

Activities since Last IAASB Discussion

3. Since the March 2015 IAASB meeting, the Task Force has met via teleconference three times, and physically in May 2015 to develop the project proposal and proposed Exposure Draft (ED).

Action Requested

4. The IAASB is asked to consider the issues and the proposals presented in Agenda Item 2-A. Agenda Items 2-D, 2-E and 2-F have been provided as supporting material to highlight key elements of the comparison of the IESBA’s NOCLAR ED against the IAASB’s International Standards.

Material Presented

- Agenda Item 2-A: Issues and Working Group Recommendations
- Agenda Item 2-B: Project Proposal – Limited Amendments in Response to the IESBA’s Project Regarding Responding to Non-Compliance with Laws and Regulations
- Agenda Item 2-C: Proposed ED
| Agenda Item 2-D | Category 1 Items: IESBA NOCLAR Exposure Draft vs. the IAASB’s International Standards |
| Agenda Item 2-E | Category 2 Items: IESBA NOCLAR Exposure Draft vs. the IAASB’s International Standards |
| Agenda Item 2-F | Category 3 Items |
| Agenda Item 2-G | IESBA NOCLAR ED – For Information Only |