Meeting: IAASB
Meeting Location: New York, USA
Meeting Dates: June 15–19, 2015

Agenda Item

Agreed-Upon Procedures

Objective of Agenda Item

1. The objectives of this agenda item are to:
   - Inform the Board about current practices on agreed-upon procedures (AUP) engagements.
   - Discuss issues that have been identified in applying ISRS 4400 and “hybrid engagements”.
   - Agree on the proposed way forward towards a project proposal.

Agreed-Upon Procedures Working Group

2. The AUP Working Group (WG) is comprised of the following members:
   - Ron Salole, IAASB Member and Chair of the WG
   - Katharine Bagshaw, IFAC Small and Medium Practices (SMP) Committee Representative
   - Ahava Goldman, IAASB Technical Advisor
   - Richard Mifsud, IAASB Technical Advisor (supported by Claire Grayston, National Standard Setter (NSS) (Australia) Representative)
   - Isabelle Tracq-Sengeissen, Compagnie Nationale des Commissaires aux Comptes (France) and former IAASB technical advisor.

Activities of the Working Group

3. During consultations on the IAASB’s 2015-2019 Strategy and the related 2015-2016 Work Plan, many stakeholders expressed the need for revisions to the AUP standard to meet the growing demand for such engagements. However, this view is not unanimous. Others have indicated that ISRS 4400 is not “broken” and that the IAASB should focus its efforts on addressing issues within the International Standards on Auditing (ISAs) before dealing with standards outside of the financial statements audit.

4. In response to the stakeholders’ comments, the IAASB established a WG to explore issues involving AUP engagements. Since its formation in early 2015, the WG has conducted preliminary research and consulted with the Small-Medium Practice Rapid Response Task Force, NSSs, the Fédération

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1 International Standards on Related Services (ISRS) 4400, *Engagements to Perform Agreed-Upon Procedures Regarding Financial Information*

*Prepared by: Jasper van den Hout and Chi Ho Ng (May 2015)*
5. The WG held a conference call on March 19, 2015 for preliminary discussions on current practices regarding AUP engagements and “hybrid engagements”, and issues related to such engagements. The WG held another conference call on May 21, 2015 to discuss feedback from the stakeholders consulted and to review the material for presentation to the IAASB.

Action Requested
6. The IAASB is asked to consider the views of the WG presented in Agenda Item 7-A, and to provide views on the Matters for Consideration therein.

Material Presented
Agenda Item 7-A Agreed-Upon Procedures – Discussion