



International Federation of Accountants

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Agenda Item

6

Committee: IAASB

Meeting Location: New York

Meeting Date: October 19–21, 2005

Practice Problem Arising from ISA 200, ISA 210 and Proposed ISA 701

Objective of Agenda Item

To consider:

- The practice problem that arises from new requirements in amended ISA 200, “Objective and General Principles Governing and Audit of Financial Statements,” and amended ISA 210, “Terms of Audit Engagements,”¹ affecting engagement acceptance that come into effect before the finalization and adoption of requirements in Proposed ISA 701, “The Independent Auditor’s Report on Other Historical Financial Information.”
- The recommendation of the Transnational Auditors Committee (TAC) to delay the effective date of relevant paragraphs in ISA 200 and ISA 210 until ISA 701 is finalized and the differences that contribute to the practice problem are resolved.

The identified practice problem and recommendation of the TAC thereon are described in the accompanying letter.

Material Presented

Agenda Paper 6-A Letter to IAASB from the Transnational Auditors Committee
(Pages 2293-2295)

Action Requested

The IAASB is asked to consider the way forward in response to the identified practice problem and the recommendation of the TAC thereon.

¹ ISA 200 and ISA 210 were amended for conforming changes arising from the issue of ISA 700 (Revised), “The Independent Auditor’s Report on a Complete Set of General Purpose Financial Statements.” The amendments are effective for audits of financial statements for periods beginning on or after December 15, 2005. Amended ISA 200 and ISA 210 are set out in the appendix of the respective ISAs in the 2005 Edition of the Handbook of International Auditing, Assurance, and Ethics Pronouncements.

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