



International Federation of Accountants

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Agenda Item

7

Committee: IAASB

Meeting Location: Montreal

Meeting Date: September 18-22, 2006

Related Parties

Objectives of Agenda Item

To review significant comments received on the exposure of the proposed revised ISA 550, *Related Parties*, and to discuss the first-read draft of the revised ISA post-exposure.

Task Force Composition

The members of the task force are:

- Gérard Trémolière – Chair, IAASB Member (assisted by his Technical Advisor Cédric Gélard)
- Jon Grant – IAASB Technical Advisor
- Diana Hillier – IAASB Member
- Greg Shields – IAASB Technical Advisor
- Makoto Shinohara – IAASB Member (assisted by his Technical Advisor Yuichi Yamamoto)
- John Thorpe – INTOSAI Representative

Ms Hillier joined the task force from June 2006.

Activities since Last IAASB discussions

The IAASB approved the issue of the exposure draft of the proposed revised ISA 550 in December 2005. The comment period closed at the end of April 2006 and a total of 41 comment letters were received.

The task force held a 2-day meeting in June, a 1-day meeting in July and a conference call in August to discuss the comments received on exposure, and to prepare the revised wording of the first-read draft of the ISA post-exposure.

Material Presented

Agenda Item 7-A Issues Paper

(Pages 2177 – 2196)

Agenda Item 7-B Revised Post-ED Draft of the Proposed Revised ISA 550 (Clean)

(Pages 2197 – 2216)

Agenda Item 7-C Revised Post-ED Draft of the Proposed Revised ISA 550 (Mark-up
from Exposure Draft)

(Pages 2217 – 2244)

Draft of the ISA to be Discussed at the Meeting

Given the extent of the changes from the original exposure draft, the task force proposes that the **clean** version of the revised draft (Agenda Item 7-B) be discussed at the meeting.

Action Requested

The IAASB is asked to provide the task force with feedback and guidance on the significant issues raised by the respondents, and on the revised draft of the ISA.