



International Federation of Accountants

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Agenda Item

8

Committee: IAASB
Meeting Location: Seoul
Meeting Date: September 21-25, 2009

Using the Work of Internal Auditors

Objective of Agenda Item

1. To consider significant issues in the revision of clarified ISA 610.¹

Task Force

2. Full members:
 - Diana Hillier, Chair, IAASB Member
 - Cédric Gélard, IAASB Member
 - Daniel Montgomery, IAASB Member
 - Carman Lapointe, Institute of Internal Auditors (IIA) Representative
 - Clyde MacLellan, International Organization of Supreme Audit Institutions (INTOSAI) RepresentativeCorrespondent member:
 - Robert Franchini, International Ethics Standards Board for Accountants (IESBA) Member
3. Technical advisors supporting Task Force members on the project include Susan Lione (for Ms. Lapointe), Jon Rowden (for Ms. Hillier) and Isabelle Tracq-Sengeissen (for Mr. Gélard).

Background

4. Extant ISA 610² was last revised in March 1994. Conforming amendments were made to the standard when the IAASB issued the extant audit risk standards (ISA 315,³ ISA 330,⁴

¹ ISA 610 (Redrafted), "Using the Work of Internal Auditors."

² ISA 610, "Considering the Work of Internal Audit." (the extant version of ISA 610 before it was clarified)

³ ISA 315, "Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement."

⁴ ISA 330, "The Auditor's Procedures in Response to Assessed Risks."

and ISA 500⁵) in October 2003. As part of the IAASB's Clarity project, ISA 610 was redrafted in accordance with the Clarity drafting conventions.

5. At its March 2009 meeting, the IAASB unanimously approved a project proposal to commence work on the revision of ISA 610 (Redrafted) to better reflect the current internal auditing environment.

Activities since Last IAASB Discussions

6. In April 2009, views of the National Standard Setters (NSSs) were sought on significant matters to be addressed in the revision of ISA 610 at the IAASB-NSS meeting. The members of the Task Force met in May, July and August 2009, to discuss the issues to be addressed in this project.
7. In June 2009, the Task Force Chair and her technical advisor met with representatives from the UK's Audit Inspection Unit (AIU) of the Financial Reporting Council to discuss the AIU's experience relevant to the revision of ISA 610 based on its inspection of UK's public company audits.

Material Presented

Agenda Item 8-A Using the Work of Internal Auditors – Issues and IAASB Task Force Proposals dated September 2009

Action Requested

The IAASB is asked to consider the issues presented in **Agenda Item 8-A** and to provide input and direction to the Task Force on the way forward.

⁵ ISA 500, "Audit Evidence."