

Meeting: IAASB
Meeting Location: Beijing
Meeting Date: September 19–23, 2011

Agenda Item

5

The Auditor's Responsibilities Relating to Other Information in Documents Containing and Accompanying Audited Financial Statements and the Auditor's Report Thereon

Objectives of Agenda Item

1. To consider the Task Force's proposals on the remaining significant issues to be addressed in the revision of ISA 720.¹
2. To approve for exposure proposed revised ISA 720² along with proposed consequential amendments to ISAs 260 and 700.³

Task Force

3. Members:
 - Cédric Gélard, Chair, IAASB Member (supported by Isabelle Tracq-Sengeissen, IAASB Technical Advisor)
 - Arch Archambault, IAASB Member
 - David Swanney, IAASB Member
 - Valdir Coscodai, IAASB Member
 - Marek Grabowski, IAASB Technical Advisor
 - Josephine Jackson, Grant Thornton
 - Sylvia Smith, KPMG
 - Karin Holmerin, International Organization of Supreme Audit Institutions (INTOSAI)
 - Matthew Waldron, CFA Institute

¹ International Standard on Auditing (ISA) 720, *The Auditor's Responsibilities Relating to Other Information in Documents Containing Audited Financial Statements*

² Proposed ISA 720 (Revised), *The Auditor's Responsibilities Relating to Other Information in Documents Containing or Accompanying Audited Financial Statement and the Auditor's Report Thereon*

³ ISA 260, *Communication with Those Charged with Governance* and ISA 700, *Forming an Opinion and Reporting on Financial Statements*

Activities since Last IAASB Discussion

4. In March 2011 the Task Force received comments from the IAASB, Representatives of the IAASB Consultative Advisory Group (CAG), and the IFAC Small and Medium Practices (SMP) Committee on significant issues in the revision of ISA 720. The IAASB also undertook a first read of draft revised ISA 720. Further, the Task Force received input from participants at the IAASB–National Auditing Standard Setters (NSS) meeting in April 2011.
5. Since then the Task Force has held a number of face-to-face and teleconference meetings to deliberate issues, and to further develop the draft revised ISA 720. It also considered whether, and if so, what consequential amendments may be needed to other ISAs. In addition, the Task Force has also conducted an informal survey of a sample of stakeholders to understand whether there is consistent reading of proposed revised ISA 720 in the context of the documents at the national level.

Materials Presented

Agenda Item 5-A	The Auditor's Responsibilities Relating to Other Information in Documents Containing and Accompanying Audited Financial Statements and the Auditor's Report Thereon – Issues and IAASB Task Force Proposals dated September 2011
Agenda Item 5-B	Draft ISA 720 (Revised) dated September 2011 (Marked from March 2011 IAASB Meeting)
Agenda Item 5-C	Draft ISA 720 (Revised) dated September 2011 (Clean)
Agenda Item 5-D	Proposed Consequential Amendments to ISA 260 dated September 2011 (Marked from Extant ISA 260)
Agenda Item 5-E	Proposed Consequential Amendments to ISA 700 dated September 2011 (Marked from Extant ISA 700)
Agenda Item 5-F	Proposed Conforming Amendments dated September 2011 (Marked from Extant ISAs)
Agenda Item 5-G	Extant ISA 720 (<i>For Reference</i>)

Draft to be Discussed at the Meeting

6. For the draft ISA 720 (Revised), the Task Force proposes to use the marked version presented in **Agenda Item 5-B** for discussion at the meeting.

Actions Requested

7. The IAASB is asked to:

- Consider and provide input on the significant issues presented in **Agenda Item 5-A**; and
- Approve for exposure proposed revised ISA 720, along with proposed consequential amendments to ISAs 260 and 700 and the proposed conforming amendments.