



International Auditing
and Assurance
Standards Board

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IAASB Meeting Highlights and Decisions

June 2013

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This summary of decisions of the International Auditing and Assurance Standards Board (IAASB) has been prepared for information purposes only. Except for approval of documents for public exposure and issue of final Standards, decisions reported are tentative, reflect only the current status of discussions on projects, and may change after further deliberation by the IAASB.

A [podcast](#) recording giving a short audio summary of the main outcomes of the June 2013 IAASB meeting is also available on the IAASB website.

For more detailed information about IAASB projects, please refer to the project summaries under [Current Projects](#).

Auditor Reporting

The IAASB unanimously approved the following proposed new and revised International Standards on Auditing (ISAs) for exposure:

- Proposed ISA 700 (Revised), *Forming an Opinion and Reporting on Financial Statements* – Revised to establish new required reporting elements, and to illustrate these new elements in example auditor's reports.
- Proposed ISA 701, *Communicating Key Audit Matters in the Independent Auditor's Report* – A new standard to establish requirements and guidance for the auditor's determination and communication of key audit matters. Key audit matters, which are selected from matters communicated with those charged with governance, are required to be communicated in auditor's reports for audits of financial statements of listed entities.
- Proposed ISA 260 (Revised), *Communication with Those Charged with Governance* – Amended required auditor communications with those charged with governance, including proposed communication about the significant risks identified by the auditor, in light of proposed ISA 701.
- Proposed ISA 570 (Revised), *Going Concern* – Amended to establish auditor reporting requirements relating to going concern, and to illustrate this reporting within the auditor's report in different circumstances.

- Proposed ISA 705 (Revised), *Modifications to the Opinion in the Independent Auditor's Report* – Amended to clarify how the new required reporting elements of proposed ISA 700 (Revised) are affected when the auditor expresses a modified opinion, and to update the illustrative auditor's reports accordingly.
- Proposed ISA 706 (Revised), *Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor's Report* – Amended to clarify the relationship between Emphasis of Matter paragraphs, Other Matter paragraphs and the Key Audit Matters section of the auditor's report.

The proposed ISAs will be exposed for comment by the end of July on the IAASB's website, with a comment period of 120 days.

ISA Implementation Monitoring

The IAASB agreed the final Report on the findings from the IAASB's post-implementation review of the clarified ISAs. The Report describes the process that has been applied by the IAASB to evaluate the comments that have been received, and summarizes and identifies the main themes that have emerged.

The findings from this post-implementation review are an important input to the IAASB's process to develop its Strategy and Work Plan for 2015–2019, a draft of which will be issued for consultation later in 2013.

Auditor Responsibilities Relating to Other Information

The IAASB held initial discussions on key issues arising from comment letter responses on the Exposure Draft of proposed ISA 720 (Revised), *The Auditor's Responsibilities Relating to Other Information in Documents Containing or Accompanying Audited Financial Statements and the Auditor's Report Thereon*.

The IAASB will continue its deliberations at its September 2013 meeting.

Next Meeting

The next IAASB meeting will be held in New York, United States, on September 16–20, 2013.