

AGENDA PAPER

Item Number: 25
Date of Meeting: 15-16 August 2011
Subject: International and other activities

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Purpose:

To provide a quarterly update to the Board on:

- IESBA and IFAC SMP update; and
- International Exposure Drafts.

IESBA

During the last quarter the IESBA has held one Board meeting on the 15th to the 17th of June 2011 in Warsaw, Poland. APESB Chairman Kate Spargo attended this meeting in her capacity as an IESBA Board member.

The following agenda items were considered:

- Breach of an independence requirement – proposed changes to the International Code;
- Conflicts of Interest;
- Responding to a Suspected Illegal Act;
- SME/SMP – report on issues faced when complying with the Code;
- ISA 610 Using the work of Internal Audit;
- Definition of Professional Accountant;
- Benchmarking – section 290 against international jurisdictions;
- ISRS 4410 Compilations.

Kate has also attended IESBA taskforce related meetings in the last quarter in respect of the inadvertent violations and fraud and illegal acts projects.

IFAC SMP Committee

APESB Director Stuart Black is a member of the IFAC SMP Committee. The IFAC SMP Committee has recently issued an updated version of its *Guide to Quality Control for Small- and Medium-Sized Practices*. This guide is intended to help SMPs implement International Standard on Quality Control (ISQC 1) and contains refinements for clarity and consistency with ISQC 1. The document can be viewed at <http://web.ifac.org/publications/small-and-medium-practices-committee>.

International Exposure Drafts

The International Auditing and Assurance Standards Board has issued a consultation paper, *Enhancing the Value of Auditor Reporting: Exploring Options for Change*, that has a closing comment period of 16 September 2011.

The paper seeks to determine if there are common views about the usefulness of auditor reporting. It considers issues with current financial reporting, including the perceived information gap that has been identified by some stakeholders. The paper then proposes options that may be effective in enhancing auditor reporting and the value of the auditor's report.

Technical staff will review the paper and consider issues relevant to APESB.

Material Presented

- Consultation Paper: Enhancing the Value of Auditor Reporting: Exploring Options for Change

Recommendation:

1. That the report on International and other activities be noted

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