



International Federation of Accountants

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Agenda Item

6

Committee: IAASB
Meeting Location: Madrid
Meeting Date: September 24–28, 2007

Accounting Estimates, Including Fair Value Accounting Estimates

Objectives of Agenda Item

To review the significant comments received from respondents on the exposure draft of the proposed ISA 540 (Revised and Redrafted), “Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures,” the recommendations of the Task Force, and the proposed ISA.

Task Force Composition

The members of the task force are:

Philip Ashton (Chair)	IAASB Technical Advisor
Jon Grant	IAASB Technical Advisor
Edmund R. Noonan	External Member

Activities since Last IAASB Discussions

The task force held two physical meetings (June 2007 and July 2007) to discuss the significant comments received on exposure and to develop the wording of the revised draft of proposed ISA 540 (Revised and Redrafted). The task force subsequently finalized the issues paper and the wording of the draft proposed ISA for discussion at this meeting.

Matters for IAASB Consideration

The matters for consideration by the IAASB are included in Agenda Item 6-A, Issues Paper - Significant Comments on Exposure Draft (ED), ISA 540 (Revised and Redrafted), and Recommended Dispositions.

In addition, the Task Force requests that the IAASB consider whether the identified significant comments are complete.

Material Presented

Agenda Item 6-A Issues Paper
(Pages 2655 – 2668)

Agenda Item 6-B Revised Draft of Proposed ISA 540 (Revised and Redrafted) (Mark-up)
(Pages 2669 – 2714)

Action Requested

The IAASB is asked to consider the matters included in Agenda Item 6-A and the completeness of identified significant comments, and review the proposed ISA in Agenda Item 6-B.