



**International Federation of Accountants**

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## Agenda Item

# 6

**Committee:** IAASB  
**Meeting Location:** New York  
**Meeting Date:** March 16-19, 2009

### **Communications Strategy and Implementation Support**

#### **Objectives of Agenda Item**

1. To receive a presentation from IFAC’s Communications Director regarding IFAC’s communications strategy as it relates to IAASB, including initiatives to raise awareness of the completion of the Clarity project and to promote efforts towards the effective implementation of the clarified standards.
2. To consider the first of the ISA implementation support modules developed by IAASB and IFAC staff.

#### **Background – Implementation Support**

3. Pursuant to its *Strategy and Work Program, 2009-2011*, the IAASB considered at its December 2008 meeting a staff proposal for the development of “implementation support modules” for the set of clarified ISAs. The IAASB noted that these support modules would be developed by staff and would target mainly those ISAs that have been revised and redrafted.
4. Each module would consist of:
  - a) A short video presentation given by the chair of the relevant project task force (where possible), or other appropriate individual, focusing on the key messages that practitioners and others should understand and bear in mind in implementing the new ISA; and
  - b) A set of slides that expands on the matters covered in the video presentation and explains the new provisions of the ISA in more detail.
5. To facilitate access by all stakeholders, the modules would be made available free-of-charge on the IAASB website,<sup>1</sup> with the component parts of each module separately accessible and downloadable from the website.
6. In supporting the proposal, the IAASB noted in particular that the modules would be ideal for educational use, and helpful to smaller practitioners.

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<sup>1</sup> The modules would be posted in the “Clarity Center” of the website (the communications presentation will introduce the Clarity Center).

### Introductory and First ISA Support Modules

7. To kick off the initiative, staff has developed two modules for the IAASB's consideration:
  - (i) An introductory module that briefly introduces this implementation support initiative of the IAASB and explains what it is intended to achieve; and
  - (ii) A module on ISA 550 (Revised and Redrafted).<sup>2</sup>
8. In developing these modules, staff has received creative support from IFAC's Communications Department and, in respect of the ISA 550 module, technical input from two members of the project Task Force. While a particular presentation format was chosen for the videos, there is creative flexibility in employing other formats for future module videos if these other formats provide for more effective presentations in the light of the particular topics and the key messages that need to be delivered.
9. The videos for these modules will be presented to the IAASB at the March 2009 meeting. In addition, hand-outs of the proposed slide decks for the modules will be distributed at the meeting for the IAASB's consideration.

### Development and Roll-Out Plan

10. Due to budgetary constraints, staff can contract for an additional four support modules to be developed over the course of 2009. The topics suggested for these additional modules, and timetable for release, are indicated below. Additional modules, for example on audit reporting, may be contemplated for early 2010.

#	Module	Expected Release
1.	Introduction and overview	April 2009
2.	Related parties (ISA 550)	April 2009
3.	Clarity project; overall objectives of the auditor in an audit of financial statements (ISA 200) <sup>3</sup>	July 2009
4.	Accounting estimates (including fair value accounting estimates) (ISA 540); and using the work of an auditor's expert (ISA 620)	July 2009
5.	Communication with those charged with governance (ISA 260); and communicating deficiencies in internal control to those charged with governance and management (ISA 265)	August 2009
6.	Group audits (ISA 600); and materiality and	August 2009

<sup>2</sup> ISA 550 (Revised and Redrafted), "Related Parties," which was issued in July 2008.

<sup>3</sup> Consideration will be given to including general comments with respect to application of ISAs in the context of SMEs as well as the audit documentation requirements of ISA 230 (Redrafted).

#	Module	Expected Release
	misstatements (ISAs 320 and 450)	

11. To achieve the widest possible distribution, the modules may, in addition to being made available on the IAASB website, be distributed to IFAC Member Bodies on CDs, with various permissions granted for translation purposes.

**Action Requested**

The IAASB is asked:

- a) For its general reaction to the video presentations in the two modules and views on the slide deck presentations, focusing on matters of a “fatal flaw” nature;
- b) For its views on the topics to be addressed in the remaining modules for development in 2009; and
- c) Whether there are any other matters that staff should take into account in moving this initiative forward.