



**INTERNATIONAL FEDERATION
OF ACCOUNTANTS**

545 Fifth Avenue, 14th Floor
New York, New York 10017
Internet: <http://www.ifac.org>

Tel: +1 (212) 286-9344
Fax: +1 (212) 856-9420

Agenda Item

4

Committee International Ethics Standards Board for Accountants

Meeting Location: Hilton, Arc de Triomphe, Paris

Meeting Date: June 23-24, 2010

Convergence

Objectives of Agenda Item

1. To obtain the views of the IESBA on a draft document identifying the independence requirements related to public interest entities.

Background

When developing the *Proposed Strategy and Work Plan 2010-2012*, the IESBA identified certain initiatives to promote convergence of independence requirements. One of the initiatives was to seek input on the types of improvement to the Code that standard setters and regulators believe should be made to the Code to gain acceptance and recognition in their jurisdiction. The IESBA agreed that a document identifying those provisions would be used in discussions with national standard setters and regulators.

Agenda Paper 4-A contains a document that identifies the provisions in the IESBA Code that apply to the audits of Public Interest Entities.

Agenda Paper 4-B contains the “audit trail” back to the Code and is provided for reference purposes only. The paper contains the complete text of Section 290 and the relevant paragraphs of Section 100 that layout the conceptual framework approach. Each paragraph is then identified as being relevant to a PIE audit or not. If a paragraph is relevant to a PIE audit, a synopsis is then provided (in some cases certain paragraphs have been grouped together, in which case a cross-reference to the relevant paragraph is provided). The synopses are then carried forward to Agenda Paper 4-A.

Agenda Paper 4-A contains four parts:

- Part 1 – Overarching provisions
- Part 2 – Specific provisions – by topic
- Part 3 – Provisions relating to changes in circumstances
- Part 4 – Relevant terms

The purpose of the synopsis is to provide a short description of the requirements in the Code without changing the meaning of any of the requirements.

Action requested

IESBA members are asked to review Agenda Paper 4-A which identifies the independence requirements relating to public interest entities. In particular, IESBA members are asked to consider (i) whether any of the synopses inadvertently change the meaning of a requirement, (ii) the structure and (iii) the level of detail.

Material Presented

Agenda Paper 4	This Agenda Paper
Agenda Paper 4-A	Provisions in the IESBA Code that apply to audits of Public Interest Entities
Agenda Paper 4-B	Extract of Code – Supporting Document*

*Please note that this agenda paper is provided for reference purposes only