



International Federation of Accountants

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INTERNATIONAL AUDITING AND ASSURANCE STANDARDS BOARD CONSULTS ON PROPOSED FUTURE TECHNICAL STRATEGY

(New York/October 1, 2007) – The International Auditing and Assurance Standards

Board (IAASB), an independent standard-setting board under the auspices of the

International Federation of Accountants (IFAC), is seeking comments on its proposed

future strategy as a basis for its work program. The consultation paper proposes that the

IAASB's future strategy focus on:

- Contributing to the effective operation of the world's capital markets;
- Assisting with the implementation of standards; and
- Addressing the needs of small- and medium-sized enterprises.

“The proposed strategy, developed after initial consultations, confirms the IAASB's public interest role by responding to the needs of users of financial information by promoting quality in auditors' work,” says IAASB Chairman John Kellas.

“Recognizing that the effective operation of the world's capital markets remains a matter of high public interest, the IAASB intends to continue to make auditing standards its first priority. A significant theme arising from the initial consultations has been the need to encourage effective implementation of the International Standards on Auditing. The

IAASB recognizes the importance of this and is proposing not to issue further new auditing standards until auditors have had two years experience in applying the standards redrafted under the Clarity project, which is due for completion in late 2008.”

Over the last few years, the focus of the IAASB has been on the development of high quality International Standards on Auditing (ISAs) that are accepted globally and that facilitate convergence. This included significant revisions to the audit approach to risk assessment, together with responses to accounting developments such as the greater use of fair values in financial reporting, and enhanced audit requirements for group audits and using the work of experts. Furthermore, efforts to enhance the consistent application of the standards around the world gave rise to a project to improve the clarity of ISAs.

The IAASB plans to complete the Clarity and other current projects by the end of 2008. To prepare for the period after 2008, the IAASB embarked on an extensive consultation process to obtain the widest possible input into determining its future strategy and to gauge the needs and concerns of the public and the profession.

This consultation paper forms the final stage of the consultation process. It presents the proposed strategy for 2009 – 2011, possible actions to implement the proposed strategy, and the basis for those actions. The proposed strategy and possible actions, amended in the light of comments received, will form the basis for the IAASB’s work program for 2009 – 2011.

How to Comment

Comments on the consultation paper are requested by **November 30, 2007**. The consultation paper may be viewed by going to <http://www.ifac.org/eds>. Comments should be submitted by email to edcomments@ifac.org. They may also be faxed to IAASB ED

Comments at +1-212-286-9570 or mailed to IAASB ED Comments at 545 Fifth Avenue, 14th Floor, New York, NY 10017, USA. All comments will be considered a matter of public record and will ultimately be posted on the IFAC website.

About the IAASB and IFAC

The objective of the IAASB is to serve the public interest by setting high quality auditing and assurance standards and by facilitating the convergence of international and national standards, thereby enhancing the quality and uniformity of practice throughout the world and strengthening public confidence in the global auditing and assurance profession. The Public Interest Oversight Board oversees the activities of the IAASB and, as one element of that oversight, establishes its due process and working procedures.

Founded in 1977, IFAC is the global organization for the accountancy profession dedicated to serving the public interest by strengthening the profession and contributing to the development of strong international economies. IFAC is comprised of 155 members and associates in 118 countries, representing more than 2.5 million accountants in public practice, education, government service, industry and commerce. In addition to setting international auditing and assurance standards through the IAASB, IFAC, through its independent standard-setting boards, sets international ethics, education, and public sector accounting standards. It also issues guidance to encourage high quality performance by professional accountants in business.

Further information about IAASB may be obtained from its website:
<http://www.iaasb.org>. The PIOB website address is <http://www.ipiob.org>.

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