

IAASB withdraws IT-related IAPSS

The International Auditing and Assurance Standards Board (IAASB) has announced withdrawal of the following four International Auditing Practice Statements (IAPSS) effective December 31, 2004.

- IAPS 1001, *IT Environments - Stand-Alone Computers*
- IAPS 1002, *IT Environments - On-Line Computer Systems*
- IAPS 1003, *Environments - Database Systems*
- IAPS 1009, *Computer-Assisted Audit Techniques*

The IAASB took the decision after it was convinced that the need for these IAPSSs has been superseded by the assumption of computer processing in the revised standards on understanding the business and assessing the risks of misstatement. They have also been outdated by continuing pace of innovation in information technology.

The IAASB, in a September 2004 Consultation Paper titled *Improving the Clarity and Structure of IAASB Standards and Related Considerations for Practice Statements*, describes the present role of IAPSSs, identifies matters for further consideration, and asks for respondents' views on the future role of

IAPSSs. The Consultation Paper can be downloaded from the IFAC website at <http://www.ifac.org/Guidance>.

New standard for Form of Auditor's Report issued

● To enhance the transparency and comparability of auditor's reports across international borders, IAASB of International Federation of Accountants has issued an International Standard on Auditing (ISA) that establishes a new form of auditor's report. The updated standard, *ISA 700, The Independent Auditor's Report on a Complete Set of General Purpose Financial Statements*, sets out a framework to separate audit reporting requirements in connection with an ISA audit from additional supplementary reporting responsibilities required in some jurisdictions.

The standard also sets out clear guidance to the auditor in those circumstances when the audit is conducted in accordance with both ISAs and the auditing standards of a specific jurisdiction, and in particular on preparing an auditor's report to meet both the report structure required by the national jurisdiction and requirements of the ISA.

The revision of ISA 700 also

gave rise to conforming amendments to the following standards:

- ISA 200, *Objective and General Principles Governing an Audit of Financial Statements*;
- ISA 210, *Terms of Audit Engagements*;
- ISA 560, *Subsequent Events*;
- ISA 701, *Modifications to the Independent Auditor's Report*; and
- ISA 800, *The Independent Auditor's Report on Special Purpose Audit Engagements*.

The new form of the report is to be applied for auditor's reports dated on or after December 31, 2006. Conforming amendments to other ISAs are applicable for audits of financial statements for periods beginning on or after December 15, 2005. The ISA 701 is a new standard that includes material on modified auditor's reports previously included in ISA 700. The IAASB is currently reviewing ISA 701 and ISA 800, and expects to issue proposed revised standards during 2005. It is not anticipated that any changes to the new ISA 700 will result from this exercise.

The new ISA 700 and all conforming amendments to other standards can be viewed and downloaded by going to www.ifac.org/store/IAASB. ■

Help us in taking Action against persons falsely claiming to be members of the Institute

The Institute has come across a number of cases where a person who is not the member of the Institute but falsely represented himself as a member of the Institute and used the designation 'Chartered Accountant'. Action has been taken against such persons under Section 24 of the Chartered Accountants Act, 1949 and the applicable provisions of the Indian Penal Code, 1860. Members are requested to bring instances of the persons falsely claiming themselves to be members of the Institute, etc. to the notice of the Joint Secretary (Legal), The Institute of Chartered Accountants of India, I.P. Marg, New Delhi- 110002 (email:npsingh@icai.org) along with relevant documents/papers/information available with them so as to facilitate action against such persons at the Institute level.

In cases, where a person not being a member of the Institute uses the name and seal of any Chartered Accountant and forges his signature on documents, the Chartered Accountant who is thus harmed may file an FIR with the police authorities or take action for filing criminal complaint in Court being aggrieved party and also bring the same to the notice of the Institute for necessary action.