

Organización Internacional  
de Comisiones de Valores

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des commissions de valeurs

Organização Internacional  
das Comissões de Valores



November 28, 2003

Mr. James Sylph  
Technical Director  
International Auditing and Assurance Standards Board  
545 Fifth Avenue, 14<sup>th</sup> Floor  
New York, NY 10017

Re: Proposed Revised International Standard on Auditing 300 "Planning the Audit"

Dear Mr. Sylph:

IOSCO's Standing Committee No. 1 ("SC 1") appreciates the opportunity to comment on the exposure draft of the Proposed Revised International Standard on Auditing 300, "Planning the Audit."

IOSCO is committed to promoting the integrity of international markets through the promotion of high quality auditing standards. The comments we have provided herein reflect a general consensus among the members of SC 1 and are not intended to include all the comments that might be provided by individual members on behalf of their respective jurisdictions in the future.

We note that this proposed standard is significantly affected by recently issued ISAs, in particular the audit risk standards, as well as by standards still under development, in particular the quality control standards. It will be very important to ensure consistency among all of these and other ISAs that have some relationship to the planning standard. In particular, something that is indicated to be a requirement in another standard should not be presented as optional in the planning standard.

We have the following comments and suggestions regarding this exposure draft:

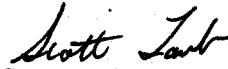
1. We note that little guidance is provided for planning in connection with information technology and computer assisted audit procedures, other than a brief mention in the Appendix. We believe that the standard should be expanded to note the wide use of information technology and provide some additional coverage of its implications for audit planning.
2. In regard to timing of audit work, we are aware that it is common practice among auditors to carry out some interim or preliminary audit work during the financial year. We believe it would be useful to provide some guidance for the appropriate planning considerations.

3. We note that the content of the Appendix to this exposure draft contains a mixture of (1) background and informational items, which seem to be typical of appendices in recently issued standards and exposure drafts and (2) items which describe actions of the auditor. While we have not carried out a detailed comparison, some of the items listed as matters the auditor "may consider" appear to be matters that are described as "requirements" in other standards. We recommend that the Appendix be reviewed to ensure consistency with other standards, as well as to assess whether some of the content listed should be pulled into the body of the standard.

4. In the section on "Direction, Supervision and Review" in the Appendix, we recommend referring to the quality control reviewer in the sixth bullet point on resolving differences of opinion among engagement team personnel, i.e., so that this item would read "resolving differences of opinion among engagement team personnel and/or between engagement team personnel and the quality control reviewer(s)". Again, the guidance here should be consistent with the proposed quality control ISAs.

If you have any questions or need additional information on the recommendations and comments that we have provided, please do not hesitate to contact me at (202) 942-4400.

Sincerely,



Scott Taub

Chair

IOSCO Standing Committee No. 1