

May 10, 2010

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RE: Exposure Draft, *Dating of the Practitioners Report for Review and Other Assurance Engagements*

Dear Greg,

Thank you for the opportunity to provide comment on the above Exposure Draft issued by the Canadian Institute of Chartered Accountants (CICA).

Below are our comments:

Proposed New Guideline

- 1) Do you agree with how the Guideline deals with the concept of “substantial completion” and its application to dating of the review engagement report?

Yes we agree with how the Guideline deals with the concept of “substantial completion”.

- 2) Do you agree with the proposed wording of the Guideline?

Generally yes we agree with the proposed wording of the Guideline. However, paragraph 4 and 5 could be made clearer by the following changes:

*Par 4. In such a case, the financial statements would be complete, **and hence report dated**, when the income tax provision is reflected in the financial statements....*

*Par 5. The review engagement report would **not be dated until** the public accountant has performed...*

- 3) Is there additional guidance that would be desirable?

The AASB may consider adding wording to clarify whether or not the completion of the review is required to be documented prior to the date of the report similar to what is required for the engagement quality control review.

- 4) Is there a significant effect on your work effort that will result from the implementation of the Guideline?

Given that there is likely going to be a longer period of time between the year end date and report date we expect that there will be additional work effort required with respect to the subsequent events review as a result of this guideline.

Proposed Revisions to Assurance Engagement Standards and Applicable Guidelines

- 5) Do you agree with the proposed revisions to the assurance engagement standards and applicable Guidelines?

C12(d) We find this paragraph confusing, the first sentence of the paragraph has removed reference to “auditors” report and has made it more generic whereas the second sentence of the paragraph indicates that the engagement quality control review process is for audits of financial statements of listed entities, and those other engagements, if any, for which the firm has determined an engagement quality control review is required.

In addition, given the engagement quality control is required for audits of listed entities need to consider implications on interim reviews performed under Section 7050 and whether or not the standard should require an engagement quality control review to be performed on these engagements.

Consider the following wording for the second sentence:

The engagement quality control review process is required for audits of financial statements of listed entities and interim reviews performed under Section 7050. In addition, an engagement quality control review is performed on other engagements, including reviews, audits or other assurance engagements, for which the firm has determined an engagement quality control review is required.

- 6) Do you agree that the effective date of the revisions to the assurance engagement standards should correspond with the effective date of the CAS's

Yes we agree that the effective date of the assurance engagement standards should correspond with the effective date of the CAS's.

Thank you for your consideration of the above-noted comments.

Yours truly,

Katherine Schamerhorn, CA
Principal, National Auditing Standards

Grant Thornton LLP



Raymond Chabot Grant Thornton

Le 6 mai 2010

Monsieur Greg Shields, CA
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Monsieur,

Nous vous transmettons, à l'intention du Conseil des normes d'audit et de certification (CNAC) de l'Institut Canadien des Comptables Agréés, nos commentaires sur le contenu de l'exposé-sondage de mars 2010 intitulé *Datation du rapport du praticien à l'issue de missions d'examen et d'autres missions de certification*. Nous vous soumettons les commentaires suivants relativement au projet de nouvelle note d'orientation (ci-après la « note d'orientation ») et au projet de révision des normes de missions de certification et des notes d'orientation y afférentes.

1. Êtes-vous d'accord avec la façon dont la note d'orientation traite de la notion de «quasi-achèvement» et de l'application de celle-ci en ce qui concerne la datation du rapport de mission d'examen?

Nous sommes d'avis que la note d'orientation traite correctement de la notion de « quasi-achèvement » et de son application dans le contexte des missions d'examens. Nous sommes aussi d'accord avec l'approche retenue par le CNAC de maintenir, pour la datation du rapport issu d'une mission d'examen, la notion de « quasi-achèvement » et d'examiner cette question à nouveau dans le cadre de son projet de révision de ces normes.

2. Êtes-vous d'accord avec le libellé proposé de la note d'orientation?

Nous proposons les modifications suivantes au libellé de la note d'orientation :

Modification proposée ¹	Explications
<p>Paragraphe 3 : « L'expert-comptable n'est donc pas en position de conclure que suffisamment de procédés ont été menés à terme et, par conséquent, de dater son rapport, avant que les états financiers ne soient achevés <u>tous les états compris dans le jeu d'états financiers, y compris les notes annexes, aient été préparés</u> et que la direction n'ait reconnue sa responsabilité à leur égard. »</p>	<p>Le concept « d'achèvement des états financiers » n'est pas défini dans le <i>Manuel de l'ICCA</i>. Nous proposons donc d'uniformiser la terminologie en utilisant une expression déjà utilisée² pour décrire ce fait et ainsi faciliter la compréhension.</p>
<p>Paragraphe 4 : « La réalisation d'une mission d'examen repose sur le postulat voulant que la direction est responsable de la préparation et de la présentation fidèle des états financiers de l'entité conformément aux principes comptables généralement reconnus <u>au référentiel d'information financière applicable</u> »</p> <p>Paragraphe 5 : « Jusqu'à la date de quasi-achèvement de l'examen, l'expert-comptable continue à mettre en œuvre des procédés en vue de déterminer si les états financiers semblent plausibles dans le cadre des principes comptables généralement reconnus <u>du référentiel d'information financière applicable</u>. »</p> <p>Paragraphe 6 : « a) la reconnaissance par la direction de sa responsabilité quant à la fidélité de l'image donnée par les états financiers selon les principes comptables généralement reconnus <u>le référentiel d'information financière applicable</u>;</p> <p>b) l'affirmation que, selon la direction, les états financiers sont exhaustifs et donnent une image fidèle selon les principes comptables généralement reconnus <u>le référentiel d'information financière applicable</u>. »</p>	<p>Un rapport de mission d'examen peut porter sur des états financiers préparés selon un référentiel autre que les PCGR (p.ex. dans les situations décrites au paragraphe 8100.28(b)). La note d'orientation doit pouvoir être utilisée lorsque les états financiers sont préparés selon un autre référentiel d'information financière acceptable et non seulement lorsque la mission est effectuée en application du chapitre 8200 (lequel fait seulement référence aux PCGR).</p>

¹ Le texte barré devrait être supprimé. Le texte souligné devrait être ajouté.

² Utilisée à l'alinéa NCA 700.41(a).

Modification proposée ¹	Explications
Paragraphe 7 : « Cette exigence implique que l'expert-comptable obtient la lettre de déclaration signée de la direction <u>après à une date qui ne peut pas être antérieure</u> à la date du rapport, mais avant que celui-ci ne soit délivré. Il n'en demeure pas moins que les déclarations écrites sont valables, sans exception, à la date du rapport. »	L'expert-comptable doit s'assurer que les déclarations écrites de la direction sont valables à la date du rapport de mission d'examen, ce qui n'est pas incompatible avec une lettre de déclaration obtenue à la même date que celle du rapport.

3. Des indications supplémentaires seraient-elles souhaitables?

Nous sommes d'avis que le CNAC devrait indiquer dans la note d'orientation que l'obtention d'éléments probants suffisants et appropriés dans une mission d'examen ne nécessite pas que les personnes habilitées à le faire aient déclaré qu'elles assumaient la responsabilité des états financiers comme l'exige l'alinéa NCA 700.41(b).

4. La mise en œuvre de cette note d'orientation nécessiterait-elle des efforts supplémentaires considérables de votre part?

Nous sommes d'avis que des efforts supplémentaires pourraient être requis relativement :

- à la mise en œuvre de procédés d'examen sur une plus longue période, dans la mesure où la date du rapport serait plus tardive.
- à la révision du dossier de travail de manière anticipée avant la date du rapport (c.-à-d. avant la date de quasi-achèvement) et non plus avant de délivrer le rapport. Ceci est une conséquence de la modification proposée au paragraphe 5030.32 .
- à la mise en œuvre du contrôle qualité de manière plus hâtive afin de ne pas retarder indûment la datation du rapport. Ceci est une conséquence de la modification proposée à l'alinéa 5030.43(c).

Quant au caractère « considérables » de ces efforts, il dépendra des circonstances et des faits propres à chaque mission.

5. Êtes-vous d'accord avec le projet de révision des normes de missions de certification et des notes d'orientation y afférentes?

Nous sommes d'accord avec le projet de révision, dans la mesure où nous comprenons que le paragraphe 5025.70 doit permettre à l'expert-comptable de dater son rapport de la date de quasi-achèvement et ne peut donc pas être aussi précis que l'équivalent dans la NCA 700.

De plus, nous souhaitons porter à l'attention du CNAC que la modification proposée au paragraphe 5025.7 nécessite d'effectuer une modification à la note de commentaire de l'alinéa 5970.59(t), laquelle fait référence à la date de quasi-achèvement.

6. Êtes-vous d'accord avec le fait que la date d'entrée en vigueur des révisions apportées aux normes de missions de certification doit coïncider avec la date d'entrée en vigueur des NCA?

Nous sommes d'accord avec la date d'entrée en vigueur des révisions apportées.

Salutations.

Comptables agréés

Michel Morrier, CA

Associé responsable du Service de la recherche en certification

Jean-François Trépanier, CA

Directeur principal, Service de la recherche en certification

12 May 2010

Mr. Greg Shields, CA
Director, Auditing and Assurance Standards
The Canadian Institute of Chartered Accountants
277 Wellington Street West
Toronto, Ontario, M5V 3H2

Dear Mr. Shields:

Thank you for the opportunity to comment on the Auditing and Assurance Standards Board (AASB) Exposure Draft - *Dating of the Practitioner's Report for Review and Other Assurance Engagements*. I am responding on behalf of the Office of the Auditor General of Canada.

The proposed new Guideline on *Dating the Review Engagement Report* would clarify the concept of "substantial completion" and its application to dating the review engagement report. However; the proposed new Guideline should provide additional guidance and clarification on how to apply the interpretation of "substantial completion" to direct reporting review engagements.

The proposed revisions to the assurance engagement standards and applicable Guidelines should provide additional clarification and guidance in the context of a direct reporting engagement for legislative audit offices conducting performance audits and special examinations.

We offer the following responses to the specific questions posed to respondents and trust that you will find these comments helpful. Should you have any questions, please do not hesitate to contact Daniel Spagnolo at (613) 995-3708.

Yours sincerely,

Stuart Barr
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The following are responses to the specific questions posed in the Exposure Draft - *Dating of the Practitioner's Report for Review and Other Assurance Engagements*.

Proposed New Guideline

1. Do you agree with how the Guideline deals with the concept of "substantial completion" and its application to dating of the review engagement report?

We agree with how the Guideline deals with the concept of "substantial completion" and how it aligns review engagement reports with the dating requirements found in CAS 700.

2. Do you agree with the proposed wording of the Guideline?

We agree with the proposed wording of the Guideline.

3. Is there additional guidance that would be desirable?

Yes, additional guidance is desirable.

The Guideline provides application guidance that is specific to review engagements undertaken to report on financial statements and other historical information. The Guideline does not provide interpretive guidance for legislative audit offices which undertake direct reporting review engagements where no written assertions related to the subject matter are obtained. The proposed new Guideline should provide additional guidance and clarification on how to apply the interpretation of "substantial completion" to direct reporting review engagements.

4. Is there a significant effect on your work effort that will result from the implementation of this Guideline?

We do not expect a significant effect on our review engagement work effort resulting from the implementation of this Guideline.

Proposed Revisions to Assurance Engagement Standards and Applicable Guidelines

5. Do you agree with the proposed revisions to the assurance engagement standards and applicable Guidelines?

In general we agree with the proposed revisions to the assurance engagement standards and applicable Guidelines. However, the AASB should consider additional clarification and guidance in the context of a direct reporting engagement for legislative audit offices conducting performance audits and special examinations.

For example, the proposed revisions to Section 5025.70 may result in inconsistent interpretation by practitioners. In the absence of additional guidance or examples, practitioners may interpret "sufficient appropriate evidence on which to base the report" as not being significantly different from the date of substantial completion. This interpretation may result in a practitioner's report dated at the end of examination field work before the report has been drafted and sufficient corroborating evidence obtained to support the content of the report.

We expect that the impact of the proposed dating changes is a report date that is more closely aligned with the date of report issuance. We therefore propose the following revised wording for Section

5025.70 which may result in a more consistent interpretation and a practitioner's report that is dated closer to the report issuance as envisioned in the CASs.

"The practitioner's report resulting from an assurance engagement should be dated no earlier than the date on which the practitioner has obtained sufficient appropriate audit evidence to support the content of the report."

6. Do you agree that the effective date of the revisions to the assurance engagement standards should correspond with the effective date of the CASs?

We agree that the effective date of the proposed changes should correspond with the effective date of the CASs.

Le 13 mai 2010

Monsieur Greg Shields, CA
Directeur, Normes de vérification et de certification
L'Institut Canadien des Comptables Agréés
277, rue Wellington Ouest
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Monsieur,

Vous trouverez ci-joint les commentaires du Comité d'étude des exposés-sondages de l'Ordre des comptables agréés du Québec concernant l'exposé-sondage « *Datation du rapport du praticien à l'issue de missions d'examen et d'autres missions de certification* ». Les commentaires donnés ne lient pas, par ailleurs, les membres du Comité d'étude des exposés-sondages, l'Ordre ou, de façon plus particulière, le Bureau du syndic de l'Ordre.

Veillez prendre note que ni l'Ordre des comptables agréés du Québec, ni quelque personne que ce soit ayant participé à la préparation des commentaires ne peuvent être tenus responsables relativement à leur utilisation et ils ne sont tenus à aucune garantie de quelque nature que ce soit découlant de ces commentaires, tel que décrit dans le déni de responsabilité joint à la présente.

Nous vous serions reconnaissants de nous faire parvenir une copie de la traduction anglaise de nos commentaires.

Veillez agréer, Monsieur, l'expression de mes sentiments distingués.

La présidente du Comité d'étude des exposés-sondages,

Nicole Lévesque, CA

c.c. Daniel Benard, CA
Diane Boudreau, CA

DÉNI DE RESPONSABILITÉ

Les documents préparés par le Comité d'étude des exposés-sondages de l'Ordre des comptables agréés du Québec (Ordre) ci-après appelés les « commentaires », sont fournis selon les conditions décrites dans la présente, pour faire connaître l'opinion des membres sur des énoncés de principes, des documents de consultation, des exposés-sondages préliminaires ainsi que des exposés-sondages publiés par le Conseil des normes comptables, le Conseil des normes de vérification et de certification, le Conseil sur la comptabilité dans le secteur public, le Conseil sur la gestion des risques et la gouvernance et d'autres organismes.

Les commentaires fournis par ce comité ne doivent pas être utilisés comme substitut à des missions confiées à des professionnels spécialisés. Il est important de noter que les lois, les normes et les règles sur lesquelles sont émis les commentaires peuvent changer en tout temps et que, dans certains cas, les commentaires écrits peuvent être sujets à controverse.

Ni l'Ordre, ni quelque personne que ce soit ayant participé à la préparation des commentaires ne peuvent être tenus responsables relativement à l'utilisation de ces commentaires et ils ne sont tenus à aucune garantie de quelque nature que ce soit découlant de ces commentaires. Les commentaires donnés ne lient pas, par ailleurs, les membres du Comité d'étude des exposés-sondages, l'Ordre ou, de façon plus particulière, le Bureau du syndic de l'Ordre.

La personne qui se réfère ou utilise ces commentaires assume l'entière responsabilité de sa démarche ainsi que tous les risques liés à l'utilisation de ceux-ci. Elle consent à exonérer l'Ordre à l'égard de toute demande en dommages-intérêts qui pourrait être intentée par suite de toute décision qu'elle aurait pu prendre en fonction de ces commentaires. Elle reconnaît également avoir accepté de ne pas faire état de ces commentaires reçus via le comité dans les avis exprimés ou les positions prises.

COMMENTAIRES DU COMITÉ D'ÉTUDE DES EXPOSÉS-SONDAGES DE L'ORDRE DES COMPTABLES AGRÉÉS DU QUÉBEC RELATIFS À L'EXPOSÉ-SONDAGE « DATATION DU RAPPORT DU PRATICIEN À L'ISSUE DE MISSIONS D'EXAMEN ET D'AUTRES MISSIONS DE CERTIFICATION »

MANDAT DU COMITÉ

Le Comité d'étude des exposés-sondages de l'Ordre des comptables agréés du Québec a comme mandat notamment de recueillir et de canaliser le point de vue des praticiens exerçant en cabinet et de membres œuvrant dans les affaires, dans les services gouvernementaux, dans l'industrie et dans l'enseignement ainsi que le point de vue d'autres personnes concernées œuvrant dans des domaines d'expertise connexes.

Pour chaque exposé-sondage ou autre document étudié, les membres du Comité mettent leurs analyses en commun. Les commentaires ci-dessous reflètent les points de vue exprimés et, sauf indication contraire, ces commentaires ont fait l'objet d'un consensus parmi les membres du Comité.

Les commentaires formulés par le Comité ne font l'objet d'aucune sanction de l'Ordre. Ils n'engagent pas la responsabilité de celui-ci.

AVANT-PROPOS

Les membres désirent obtenir une copie de la traduction anglaise des commentaires.

COMMENTAIRES GÉNÉRAUX

De façon générale, les membres sont favorables à l'exposé-sondage « *Datation du rapport du praticien à l'issue de missions d'examen et d'autres missions de certification* ».

1. Êtes-vous d'accord avec la façon dont la note d'orientation traite de la notion de « quasi-achèvement » et de l'application de celle-ci en ce qui concerne la datation du rapport de mission d'examen?

Les membres sont d'accord.

2. Êtes-vous d'accord avec le libellé proposé de la note d'orientation?

Les membres sont d'accord.

3. Des indications supplémentaires seraient-elles souhaitables?

Les membres suggèrent que les demandes d'information concernant l'obtention de déclaration de la direction au point 6 soient précisées. Ils souhaiteraient que des indications soient ajoutées lorsqu'il pourrait s'agir d'information verbale.

4. La mise en œuvre de cette note d'orientation nécessiterait-elle des efforts supplémentaires considérables de votre part?

Les membres ne croient pas que cette note d'orientation nécessiterait des efforts supplémentaires considérables.

5. Êtes-vous d'accord avec le projet de révision des normes de missions de certification et des notes d'orientation y afférentes?

Les membres sont d'accord.

6. Êtes-vous d'accord avec le fait que la date d'entrée en vigueur des révisions apportées aux normes de missions de certification doit coïncider avec la date d'entrée en vigueur des NCA?

Les membres sont d'accord.

COMMENTAIRES SPÉCIFIQUES

Les membres ont indiqué qu'il semblait y avoir une incohérence entre les paragraphes 42 et 43 (page 6). Effectivement au paragraphe 42, on indique que l'objectif est de fournir une appréciation **AU PLUS TARD** à la date du rapport. Tel qu'écrit actuellement, cette expression laisse sous-entendre que cela pourrait être **AVANT**. Cependant, au paragraphe 43c), on indique pourtant qu'il faut s'abstenir de dater le rapport **AVANT** l'achèvement du contrôle de la qualité. À mon avis, au paragraphe 42, on devrait indiquer une appréciation **À LA DATE** du rapport. Les membres souhaiteraient donc avoir des précisions sur ce sujet.

CONCLUSION

Les membres sont d'accord avec ce qui est proposé. Ils croient que ce projet rendra la pratique plus cohérente, principalement avec les missions d'audit.



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May 15, 2010

Re: Exposure Draft - Dating of the Practitioner's Report for Review and Other Assurance Engagements

Dear Greg:

We have read the above-mentioned Exposure Draft and would like to provide the following comments for your consideration:

Proposed New Guideline

Do you agree with how the Guideline deals with the concept of "substantial completion" and its application to dating of the review engagement report?

We agree with how the Guideline deals with the concept of substantial completion and its application to dating of the review engagement report.

Do you agree with the proposed wording of the Guideline?

We agree with the proposed wording of the Guideline.

Is there additional guidance that would be desirable?

We have not identified an additional guidance.

Is there a significant effect on your work effort that will result from the implementation of this Guideline?

Although the Guideline extends the subsequent event enquiry period, we do not anticipate that this will add significant work since the procedures in a review engagement are primarily enquiry and discussion.

Proposed Revisions to Assurance Engagement Standards and Applicable Guidelines

Do you agree with the proposed revisions to the assurance engagement standards and applicable Guidelines?

We agree with the proposed revisions to the assurance engagement standards and applicable Guidelines.

Do you agree that the effective date of the revisions to the assurance engagement standards should correspond with the effective date of the CASs?

We agree that the effective date of the revisions to the assurance engagement standards should correspond with the effective date of the CASs. This will make the training of the new standards easier.

Thank-you for your consideration of the above-noted comments. If you have any further questions, please contact me at (905) 633-4920.

Yours sincerely

A handwritten signature in black ink, appearing to read "Patricia Gonsalves". The signature is fluid and cursive, with a large initial "P" and a long, sweeping underline.

Patricia Gonsalves, C.A.
National A&A Senior Manager

May 15, 2010

Mr. Greg Shields, CA
Director, Auditing and Assurance Standards
The Canadian Institute of Chartered Accountants
277 Wellington Street West
Toronto, Ontario M5V 3H2

Dear Mr. Shields:

**Re: Exposure Draft
Dating of the Practitioner's Report for Review and Other Assurance Engagements**

Thank you for the opportunity to comment on the *Exposure Draft - Dating of the Practitioner's Report for Review and Other Assurance Engagements*. We are providing comments on standards proposed for other assurance engagements from our perspective as a legislative auditor issuing long-form reports under direct reporting engagements.

Reponses to the Comments Requested for Proposed Revisions to Assurance Engagement Standards and Applicable Guidelines

Do you agree with the proposed revisions to the assurance engagement standards and applicable Guidelines?

We agree with the proposed revisions to the assurance engagement standards. However, additional guidance is required on the dating of reports for direct reporting engagements and subsequent events procedures.

Paragraph 5025.70 requires that *"the practitioner's report resulting from an assurance engagement should be dated no earlier than the date on which the practitioner has obtained sufficient appropriate evidence on which to base the report"*. This does not reflect the format of direct reporting engagements. Our reports often include chapters on a number of engagements. Each chapter provides detail on the period examined and when the examination was conducted. The overall report has the month the report was issued. What would be the report date in accordance with paragraph 5025.70 and where should it be disclosed? Would it be the issue date for the overall report or would it be a date for each chapter?

What subsequent event procedures need to be conducted to the "report date"? There are no specific subsequent event standards for direct reporting engagements. We are often corroborating facts with management after the examination phase up to date the report for the individual chapter is drafted. What are our obligations, if any, to conduct subsequent events procedures for that chapter and for the entire report? The date the draft reports are completed for the individual chapters will vary. Do we have to do subsequent event work up to the date of issuance of the entire report?

Also, what would be the definition of a subsequent event for a direct reporting engagement? Are system enhancements implemented by the entity subsequent to our review period, to address problems we have identified, subsequent events?

Do you agree that the effective date of the revisions to the assurance engagement standards should correspond with the effective date of the CASs?

Yes we agree.

If you have any questions regarding our comments, please do not hesitate to give me a call at (204) 945-6883.

Yours truly,

Greg MacBeth, CA
Executive Director, Professional Practice and Quality Assurance

cc: Carol Bellringer, Auditor General,
Mala Sachdeva, Deputy Auditor General
Norm Ricard, Executive Director Strategic Initiatives
Sandra Cohen, Director Value for Money Services
Jack Buckwold, Director Special Audit Services

May 14, 2010

Greg Shields
Director, Auditing and Assurance Standards
The Canadian Institute of Chartered Accountants
277 Wellington Street West
Toronto, Ontario M5V 3H2

Email: ed.assurancestds@cica.ca

Dear Mr. Shields:

Re: Comments on the Exposure Draft “Dating of the Practitioner’s Report for Review and Other Assurance Engagements”

Thank you for the opportunity to comment on the AASB Exposure Draft, Dating of the Practitioner’s Report for Review and Other Assurance Engagements. This letter sets out the comments of the Office of the Auditor General of British Columbia.

Overall, we support the AASB view that regardless of the nature of the assurance engagement being performed, practitioners should take an approach to dating their applicable assurance engagement reports that is consistent with that in CAS 700. However, we found that the proposals contained in the Exposure Draft lacked clarity, and in the absence of additional guidance or examples, there exists the risk of inconsistent interpretation by practitioners and the AASB’s view not being achieved.

We have provided our response to the specific questions posed by the AASB in the exposure draft below.

If you have any questions regarding this submission, please do not hesitate to contact me at: Email: bjones@bcauditor.com

Brian Jones, CA
Executive Director, Standards and Quality
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8 Bastion Square
Victoria BC, V8V 1X4

Specific Questions posed by AASB - Proposed New Guideline for Review Engagements:

1. Do you agree with how the Guideline deals with the concept of “substantial completion” and its application to dating of the review engagement report?

No, we do not agree with how the Guideline deals with the concept of “substantial completion”. While we agree with the AASB view of aligning all assurance engagements with CAS 700, and the proposed Guideline takes some initial steps towards alignment with CAS 700 requirements, it does not go far enough. Our preference would be to remove the concept of “substantial completion” from all Canadian standards and to substitute appropriate wording that is consistent with CAS 700 requirements.

We appreciate the reason that AASB is proposing to temporarily maintain the concept of substantial completion, but we are concerned that changing the meaning of a concept that has been accepted and practiced in a particular way over many years may lead to confusion and inconsistent application. The term “substantially” no longer reflects the requirements of the Guideline in that essentially “all” work would now need to be complete prior to the date of the report. Further, we are concerned that practitioners will not understand the subtle distinction between the Guideline which requires that “management has **acknowledged** responsibility for the financial statements” and CAS 700 which requires that “those with recognized authority have **asserted** that they have taken responsibility for the financial statements” prior to the report date.

2. Do you agree with the proposed wording of the Guideline?

No, we don’t agree with the proposed wording of the Guideline which we found to be confusing and more complex than it needs to be. If the AASB was to remove the concept of substantial completion from the review standards as recommended above, then wording similar to ISRE 2400 could be adopted, which would result in greater clarity and more consistent application by practitioners. In this regard, we would recommend wording similar to ISRE 2400.28 which reads:

The practitioner should date the review report as of the date the review is completed, which includes performing procedures relating to events occurring up to the date of the report. However, since the practitioner’s responsibility is to report on the financial statements as prepared and presented by management, the practitioner should not date the review report earlier than the date on which the financial statements were approved by management.

3. Is there additional guidance that would be desirable?

Yes, additional guidance is needed for non-financial review engagements under Section 8100. While the proposed Guideline implies that it applies to Section 8100, the Guideline focuses only on review of historical financial statements under Section 8200. If the

Guideline is intended to apply to all review engagements, then additional guidance is needed for non-financial statement reviews that fall within Section 8100.

4. Is there a significant effect on your work effort that will result from the implementation of this Guideline?

No, there will not be a significant effect on our work effort. We very rarely undertake review engagements of financial statements, and where we do, our current practice is to date our reports consistent with CAS 700 requirements.

Specific Questions posed by AASB - Revisions to Other Assurance Engagements

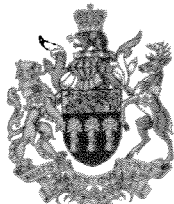
5. Do you agree with the proposed revisions to the assurance engagement standards and applicable Guidelines?

We do not agree with the proposed revisions to Section 5025.70 in the absence of additional guidance or examples on how to interpret this paragraph, particularly for direct reporting engagements.

In a direct reporting engagement the content of the practitioner's report is based on the results obtained from detailed audit procedures designed to test the subject matter against suitable criteria. Unlike attest engagements, there may be a significant time lag between the point in which all evidence has been obtained on which to base the report and the completion of the drafting of the report itself. Practitioners could interpret the proposed requirements for dating the report at the point in which all evidence has been obtained or, alternatively, at some point later in the report drafting process. To ensure consistent interpretation of the proposed wording, the AASB should consider additional clarification in the context of a direct reporting engagement.

6. Do you agree that the effective date of the revisions to the assurance engagement standards should correspond with the effective date of the CASs?

Yes, we agree that the effective date of the revisions should correspond with the effective date of the CASs.



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SASKATCHEWAN

May 14, 2010

Mr. Greg Shields, CA
Director, Auditing and Assurance Standards
The Canadian Institute of Chartered Accountants
277 Wellington Street West
TORONTO, Ontario M5V 3H2

Dear Mr. Shields:

Re: Exposure Draft – Dating of the Practitioner’s Report for Review and Other Assurance Engagements (March 2010)

We support the proposed standards in the exposure draft. Following are our responses to specific questions raised.

Response to Specific Questions Raised in the Exposure Draft

Questions 1-4 on the proposed new review engagement guideline are not relevant to our Office in that we rarely carryout review engagements.

5. We agree with the proposed revisions to the assurance engagement standards and applicable Guidelines.
6. We agree that the effective date of the revisions to the assurance engagement standards should correspond with the effective date of the CASs.

Yours truly,

Brian Atkinson, FCA
Acting Provincial Auditor

/cp

5 May 2010

Greg Shields, CA
Director, Auditing and Assurance Standards
The Canadian Institute of Chartered Accountants
277 Wellington Street West
Toronto, Ontario
M5V 3H2
Via email to ed.assurancestds@cica.ca

Dear Mr. Shields:

Re: Exposure Draft – Dating of the Practitioner’s Report for Review
and Other Assurance Engagements

The Exposure Draft Forum of the Institute of Chartered Accountants of British Columbia has reviewed the above exposure draft and is pleased to provide the following comments to the Auditing and Assurance Standards Board for its consideration.

The Forum is comprised of volunteer members from public practice, industry, and regulatory authorities who meet periodically to discuss and comment on draft guidance. The views expressed in this letter are solely those of members of the Forum and do not represent the views of the Institute, its Council, or its staff.

Comments

1. Do you agree with how the Guideline deals with the concept of “substantial completion” and its application to dating of the review engagement report?

Members of the Forum acknowledge that it’s common for practitioners to have interpreted “substantial completion” to mean the last day of fieldwork, often before the tax provision is complete, and so date their review and audit reports. They agree that there is no basis for this practice and that a clarification is overdue. They concur that aligning the rationale for dating of review reports with audit reports is a reasonable step and adds credibility to the reports and increases their value to users.

2. Do you agree with the proposed wording of the Guideline?

It is Forum members’ experience that practitioners obtain verbal management representations throughout the review engagement and they agree that it’s reasonable to obtain a written letter of representation before release of the report, effective for the date of the report. However, they

suggest that it would be helpful to practitioners if the Guideline clarifies that the requirements do not call for the receipt of a written letter of representation before the report can be dated, rather the practitioner should receive the letter before releasing the report.

3. Is there additional guidance that would be desirable?

Although members of the Forum concede that it is not best practice to allow a significant period of time to lapse between fieldwork and date of the report, this can and does happen with some clients, including not-for-profit organisations where there can be delays in going through the management approval process. Consequently, it would be helpful if the Guide includes a discussion on the appropriate procedures a practitioner should consider performing should there be an extended period between fieldwork and date of the report.

In light of the entrenched practice of dating review engagement reports on the last day of fieldwork and finalising the tax provision just prior to releasing the financial statements, Forum members strongly urge CICA Auditing and Assurance Standards staff to communicate this new guidance as widely as possible. Staff might consider preparing articles for the *Risk Alert* and *Practice Advice* newsletters as well as *CA Magazine* to ensure practitioners understand that this could be a significant change in their performance of review engagements.

4. Is there a significant effect on your work effort that will result from the implementation of this Guideline?

Although members of the Forum do not believe this new guidance will result in significant increase in work effort for a review engagement, they do believe it will affect the timing of the work. One member in particular is concerned about the impact of this new guidance on balancing workload, staffing, and arranging with client management for review and sign-off in order to minimise subsequent event procedures and to reduce the time lag between fieldwork and release of the financial statements.

5. Do you agree with the proposed revisions to the assurance engagement standards and applicable Guidelines?

Forum members agree with the proposed revisions.

6. Do you agree that the effective date of the revisions to the assurance engagement standards should correspond with the effective date of the CASs?

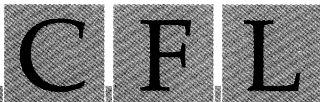
Members of the Forum agree with the proposed effective date.

We appreciate the opportunity to provide input to the Auditing and Assurance Standards Board and hope you find our comments useful.

Yours truly,
Exposure Draft Forum

[Via email]

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By E-mail: ed.assurancestds@cica.ca

May 14, 2010

The Canadian Institute of Chartered Accountants
277 Wellington Street West
Toronto, ON M5V 3H2

Attention: Greg Shields, CA
Director, Auditing and Assurance Standards

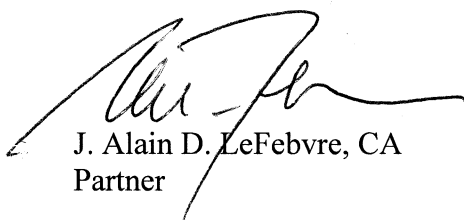
Dear Sir:

**RE: DATING OF THE PRACTITIONER'S REPORT FOR REVIEW AND
OTHER ASSURANCE ENGAGEMENTS**

We agree with how the Guideline deals with the concept of "substantial completion" and its application to dating of the review engagement report. We believe that all assurance engagements need to follow similar guidelines and since the proposed Guideline coincides with CAS 220 "Quality Control for an Audit of Financial Statements", we do not believe that any further comments are required.

We trust this is the information you require.

Yours very truly,
CHAN FOUCHER LEFEBVRE LLP



J. Alain D. LeFebvre, CA
Partner