

CHANGES OF SUBSTANCE FROM THE 2009 EDITION OF THE HANDBOOK AND RECENT DEVELOPMENTS

References

This handbook contains references to International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs). Unless otherwise indicated, references to IASs and IFRSs are to the IASs and IFRSs in effect at the date of preparing a pronouncement. Accordingly, readers are cautioned that, where a revised IAS or IFRS has been issued subsequently, reference should be made to the most recent IAS or IFRS.

References to “country” in this handbook should be read as “country or jurisdiction.”

Pronouncements Issued by the International Auditing and Assurance Standards Board

This handbook contains the complete set of International Auditing and Assurance Standards Board’s (IAASB) pronouncements on quality control, auditing, review, other assurance and related services, a glossary of terms, and a preface to the international standards.

This handbook replaces Part I of the 2008 edition of the Handbook of *International Auditing, Assurance and Ethics Pronouncements* and the 2009 edition of the Handbook of *International Standards on Auditing and Quality Control* which featured the thirty six International Standards on Auditing (ISAs) and the International Standard on Quality Control (ISQC) that have been redrafted by the IAASB to improve their clarity.

Addition

This edition of the handbook includes the International Standard on Assurance Engagements (ISAE) 3402, “Assurance Reports on Controls at a Service Organization” issued by the IAASB in December 2009. This new standard addresses reports on the description, design, and operating effectiveness of controls relating to the broad range of services that today’s service organizations provide. Such services can range from assisting with processing transactions to performing one or more business functions.

Subsequent to the original release of ISAE 3402 in December 2009, correction of an error was made in paragraph 3 of ISAE 3402. The change is the addition of the word “only” in paragraph 3(a), and the deletion of the word “only” in paragraph 3(b).

ISAE 3402 is effective for service auditors’ reports covering periods ending on or after June 15, 2011.

Changes

Paragraph 12 of the *Preface to the International Standards on Quality Control, Auditing, Review, Other Assurance and Related Services* (the Preface) has been amended as a result of ISAE 3402. This Handbook contains the revised Preface.

Clarity Project

In March 2009, the IAASB announced the completion of its 18-month long program to comprehensively review all the ISAs and ISQC to improve their clarity. As a result of this landmark achievement, auditors worldwide now have access to 36 newly updated and clarified ISAs and a clarified ISQC. These standards are designed to enhance the understanding and implementation of them, as well as to facilitate translation. The clarified standards, all of which are contained in this handbook, are effective for audits of financial statements for periods beginning on or after December 15, 2009.

Visit the IAASB's Clarity Center website at <http://web.ifac.org/clarity-center/index> for more information on the Clarity project.

Final Pronouncements Issued Subsequent to January 1, 2010 and Exposure Drafts

For information on recent developments and to obtain final pronouncements issued subsequent to January 1, 2010 or outstanding exposure drafts, visit the IAASB's website at <http://www.ifac.org/IAASB/>.