ICAEW AUDIT & ASSURANCE FACULTY

AUDIT & BEYOND

THE NEWSLETTER OF THE ICAEW AUDIT AND ASSURANCE FACULTY

May 2009 | No. 139

An on-going concern

The current economic climate has driven a number of issues to the forefront of the corporate agenda. The ICAEW Audit and Assurance Faculty organised a cross faculty event at Chartered Accountants' Hall to look at these, and give guidance to directors and auditors alike on their responsibilities in the areas that can be more important in tough times. These areas are namely:

- The directors' responsibility to consider the validity of the going concern basis
- Insolvent and wrongful trading
- Audit procedures when going concern is an issue
- The auditor's report
- Understanding the entity – using Practice Note 26
- Risk assessment

This article sets out the key areas of interest to auditors covered during the event.

The going concern assumption

Under FRS 18 Accounting Policies, IAS 1, Presentation of Financial Statements, and the Companies Act 2006, financial statements in the UK are nearly always prepared on a going concern basis. Directors are required to consider whether the company can continue to trade for the foreseeable future. Where there is an audit, auditors will consider how the directors have fulfilled this responsibility and perform relevant audit procedures.

The directors have to consider a minimum period of 12 months from the accounts approval date. If they consider a shorter period the auditor will have to state this in their report. Often directors will consider a longer period of two to three years. If they do, then the auditor should consider the same period.

Going concern disclosure

With the exception of listed companies, disclosure in the financial statements of the basis for the going concern assumption is only required where there are material uncertainties which lead to significant doubt about its validity. Companies can voluntarily offer disclosure but they should be aware that users of financial statements might misinterpret this as revealing problems that do not in fact exist.

The uncertainty in the UK and world economy does not necessarily lead to material uncertainties in a particular company. Some companies have large reserves, or are in a business less affected by recession. Even in these troubled times, these companies will tend not to make going concern disclosures.

The recent Financial Reporting Council (FRC) guidance: *An update for directors of companies that adopt the financial reporting standard for smaller entities (FRSSE): going concern and financial reporting* R, reminds us that directors of audit exempt companies also have to consider the validity of the going concern basis and disclose material uncertainties that cast significant doubt on their applicability. The FRC paper also includes guidance on what this disclosure could look like.

cont'd on page 2

In this issue...

Faculty roadshows – past, present and future

2008 Roadshows

The faculty's tradition of holding topical events nationwide continues. Two roadshows were held during 2008, at 45 venues in total and attracted over 3,300 delegates.

The first roadshow early in 2008, provided an insight for small company audits. Topics included:

- Practice Note 26
- Revised Ethical Standard
- Revised Audit Regulations
- ISA 315
- ISA 330
- Group Audits

Delegate feedback was extremely positive with 100% responding that the event either met or exceeded their expectations.

The second roadshow held during the autumn, covered the quality of audit files – common problems and solutions. Drawing upon the experiences of reviewers from the Quality Assurance Directorate (QAD), we identified the most effect and efficient solutions to common audit problems identified during their visits. The event discussed:

- ISQC 1
- ISAs UK and Ireland
- APB Ethical Standards – including the PASE
- Companies Act compliance – including disclosure
- other regulated areas
- Practice Assurance issues

Once again, delegate feedback was encouraging with 98% saying that the roadshow either met or exceeded their expectations.

Both of the above events were recorded and faculty members received these recordings as a double CD in their March mailing.

2009 Roadshows

The responsibilities of auditors and directors in tough times

Following on from the success of this event held in March, which covered the responsibility of auditors and directors in tough times (see page 1 of this issue), the faculty will be holding this important event at several venues across the country in June. The event has been arranged to help auditors and directors understand their responsibilities when businesses are in financial difficulty. The auditor's reporting considerations will be covered, including the use of the going concern emphasis of matter. Further details and an application form are included in this mailing.

Online booking will also be available R. To avoid disappointment, you are advised to book early to secure your place at this event.

Clarity ISAs and other topical issues

The main roadshow in 2009 will cover Clarity ISAs and will help firms prepare for the changes. In particular it will cover:

- what the clarified ISAs are
- the impact on audit methodologies
- consideration of training issues in terms of content and timing
- the extent of changes

The roadshow will also cover other topical issues. We hope to visit 24 venues nationwide during the autumn. Further details and an application form will be available in the next issue of *Audit & Beyond*.

As with our previous roadshows, John Selwood will be our speaker at the 2009 events.

Tracy Gray *Services Manager, Audit and Assurance Faculty*

An on-going concern *cont'd from page 1*

Another good source of guidance on the wording of disclosures is the Auditing Practices Board (APB) Bulletin 2008/10 R. Whilst the examples are primarily aimed at listed companies, they are a good source of inspiration for others.

The audit and added emphasis

For auditors, the biggest single issue is the use of the added emphasis paragraph. This is added to the audit report to modify it (this is not a qualification) where there are material uncertainties. An emphasis of matter is cross-referenced to the directors' disclosure on going concern in the financial statements.

The example wording of the added emphasis paragraph is available from APB Bulletin 2006/6. From a technical perspective, auditors should modify the report in this way where there are material uncertainties that lead to significant doubt about the validity of the going concern basis.

In the real world there may be external pressures on auditors. These could include:

1. Negative reactions of clients to the addition of added emphasis on going concern in audit reports and users of financial statements, for example lenders, who might base decisions on financial support on these reports – an auditor might be aware that the addition of the added emphasis on going concern might be the precursor to the withdrawal of bank support.
2. Litigation for negligence – Auditors are conscious that if the going concern paragraph is not added to their report and the business goes under they might be vulnerable to litigation for negligence.

There are two ways that individual auditors and their firms can address these pressures. Firstly, audit partners should consult. The use of second partner reviews and external consultations with others not emotionally caught up in the audit can safeguard auditor independence. Secondly, auditors should very carefully document their decisions and the information that supports their conclusion must be on file. The right decision without the right documentation can be as big a risk as the wrong decision.

Upcoming events

This article summarises the key points of the presentation. Frequent questions and answers follow on page 3. Going concern is an important topic in the current environment. Details of a further series of events on this topic are included above.

John Selwood *Independent Training Consultant who frequently presents at the faculty's road shows.*

Going Concern Q&As

Q. Given that the UK economy is in recession, a number of high profile companies have gone into administration and the economy is 'in uncharted waters', under what circumstances is it appropriate to issue a modified audit report with the going concern emphasis of matter?

A. This is an extremely common question being asked by audit firms.

It has been suggested that every audit report should be modified because of the all pervasive risks in the economy. In my view this is nonsense. Some companies are doing very well in the downturn. Some companies have large cash reserves and no debt. Neither of these circumstances appears to merit a modified audit report on the grounds of the general economy being in recession.

The pressure is on auditors to be careful and give the users of accounts as much information on going concern as possible and of course audit firms who are keen to manage their own risks. However, auditors are also aware of the potential negative impact on the attitudes of users of accounts, such as suppliers, lenders or investors, of a modified report.

The straight technical answer to the original question is that the auditors should consider modifying their report only where there is, 'material uncertainty which may cast significant doubt about the company's ability to continue as a going concern'. This is the wording used in the APB example report in Bulletin 2006/6 (note the imminent update due for this Bulletin).

More guidance is available in APB Bulletin 2008/10 *Going concern issues during the current economic conditions*. This Bulletin gives three examples of disclosure based around different scenarios. The guidance is aimed at listed companies, but there are many elements that are useful for other companies. The comparison between examples 2 and 3 is the most interesting element. Where in example 2 material uncertainties are not deemed to be present, in example 3 they are.

The two key differences between these examples are:

1. Where in example 2 there was '**some** exposure to the current economic uncertainties' this would not have necessarily led to a modified audit report and attendant disclosures in the financial statements (for a non-listed company). In example 3 where there were 'material uncertainties' there was '**considerable** exposure to the current economic uncertainties'. So **some** exposure versus **considerable** exposure might be a helpful guide.
2. Whilst both examples involved companies with debt facilities that needed renewing, only in example 3, the one with 'material uncertainties', is there a possible need for an increase. Also, in example 2 the renewal was not imminent.

As with most issues in auditing, the answer lies in the exercise of good professional judgement. There are two things that individual auditors and their firms can do to help get to the right decision:

1. Audit partners should consult. The use of second partner reviews and external consultations with others not involved in the audit can safeguard auditor independence.
2. Auditors should very carefully document their decisions and the information that supports their conclusion must be on file. The right decision without the right documentation can be as big a risk as the wrong decision. Also, documenting the decision process as the decision is being made can give more structure to the decision making process and help make the right judgement.

Q. Is it appropriate to issue a clean unmodified audit report when there is merely some uncertainty about the validity of the going concern basis on the grounds that the directors have made some limited disclosures relating to these uncertainties in the creditor's note?

A. This approach was previously included in SAS 130 Going concern as the situation 2 approach. The new going concern standard ISA 570 does not specifically mention this, nor does any other available guidance.

That is not to say that the directors are not entitled to add disclosures if they choose to but it should be noted that there is no longer so much support for this approach. This could mean that users of the accounts might misinterpret it and auditors should be wary that the old 'some concern' approach is adopted to hide what are in fact material uncertainties casting significant doubt.

Q. It is often the auditor who initiates the discussion with the directors about the inclusion of disclosure of material uncertainties that influence the appropriateness of the going concern basis. Are the directors of audit exempt companies required to make the same kind of disclosure?

A. The short answer is, yes!

All companies, be they audit exempt or not, should make disclosure whenever there are material uncertainties leading to significant doubt about the appropriateness of the going concern basis. For examples see the new FRC guidance for directors of companies adopting the Financial Reporting Standard for Smaller Entities (FRSSE).

John Selwood *Independent Training Consultant*

Continuing with the theme of going concern…

Going concern and non-audit assignments

'Going Concern' is one of the highest risk areas in all work involving financial statements, whether it is accounts compilation or the ICAEW Assurance Service, and whether it is a company, partnership or sole trader. This article sets out some perspectives based on practical experience in addressing this issue in the current economic climate.

Accounting on a going concern basis for smaller entities

Going concern is at the heart of all financial statements. Paragraph 2.12 of the FRSSE is clear and straightforward and worth re-reading. It states: *'The company shall be presumed to be carrying on business as a Going Concern. When preparing financial statements, directors shall assess whether there are significant doubts about the entity's ability to continue as a Going Concern. Any material uncertainties, of which the directors are aware in making their assessment, shall be disclosed. Where the period considered by the directors in making this assessment has been limited to a period of less than one year from the date of approval of the financial statements, that fact shall be stated. The financial statements shall not be prepared on a Going Concern basis if the directors determine after the balance sheet date either that they intend to liquidate the entity or to cease trading, or that they have no realistic alternative but to do so.'*

What this means in practice is that whenever directors, partners, or sole traders sign a set of financial statements, they need to have considered whether the business can continue as going concern for at least twelve months from the date on which the accounts are signed. This means considering whether the business can pay its debts as they fall due and can continue trading (considering factors such as stability of suppliers and customers, the market for the entity's product, etc), the extent of any uncertainty, or if it is to cease trading and hence the disclosure required. The March 2009 FRC publication *An update for directors of companies that adopt the FRSSE: Going concern and financial reporting* provides guidance for those preparing small entity financial statements. It is essential reading.

Considering going concern as part of a non-audit engagement

The primary responsibility for dealing with going concern lies with the directors, partners or sole traders who approve the accounts. In reality, however, they will often hope to rely on their accountant to assist them in discharging their responsibilities in relation to the accounts, including going concern. Whilst a compilation or assurance service engagement does not involve giving an audit opinion, and therefore does not require the chartered accountant to follow ISA (UK and Ireland) 570, going concern cannot be ignored. The work to be done will depend on professional judgement and each entity's circumstances. But in practice, what might be done?

The key is to know your client – knowing what went on in the year in question, what has happened since the year end date and any future plans. This involves forming a view on how practical and realistic the plans are (including any related forecasts) and the entity's ability to implement any required remedial actions – it is welcome that accounting software (eg Winforecast) makes it much easier to prepare and assess forecasts than used to be the case. When preparing a forecast, getting the directors to adopt it formally (including confirming the appropriateness of the assumptions) helps to manage the accountant's risk; it will also assist in demonstrating their independence when carrying out the assurance service.

The recent FRC update provides useful guidance as to the steps that directors can undertake when considering going concern – which may also be those areas where the accountant can help, as well as assess management's plans and actions. Factors to consider may include the reasonableness of the assumptions and associated risks used in forecasts, headroom and required security in bank facilities, customers and markets, and management capability.

But what if, in our judgement, the business is not a going concern or, at the very least, that this is uncertain? What do we do? Well, the first thing is to consider the extent of any uncertainty and then the appropriateness of disclosure. The practical advice and examples on pages 3 to 5 of the FRC Update are particularly useful when drafting or considering disclosures for uncertainty, that is not material - and indeed in explaining for a business that is not significantly affected by the current downturn how it is weathering the storm. For entities where there is a material uncertainty or they are deemed not to be a going concern, it may be helpful to refer to ISA (UK and Ireland) 570, and also to the examples in Appendix 2 of the old SAS 130 which outlined several practical scenarios with possible disclosures.

One way or another, we have to work with our clients to ensure that they all fully understand their going concern responsibilities in relation to financial statements, and to address this issue in every engagement we perform - not just when we are doing an audit. Otherwise, there is a real risk that third parties (including bankers, creditors, customers and employees as well as shareholders and directors) may consider that we have failed.

Christopher Try FCA

Senior Partner, Try Lunn & Co, Chartered Accountants, Hull

Internal auditors gain insight into the external audit function

With internal audit resources being stretched, as Boards seek greater levels of assurance, there is a need to develop an effective combined assurance model between internal and external auditors. For internal auditors, gaining insight into what external auditors look for in a company's control environment will help tailor the work they perform in the financial arena. Understanding the international auditing standards that dictate when and how external auditors can use the work of internal auditors also provides a benchmark to standardise testing and documentation, thereby facilitating a co-ordinated approach to assurance.

Delegates from the public and private sector who attended the Internal Audit Lecture in March received presentations from two experts from PricewaterhouseCoopers (PwC) – Paul Slater, a partner who leads the internal audit practice, and Gary Rapsey, a senior partner working in both the external and internal audit arenas.

Paul commenced by highlighting that the design and implementation of a robust control and assurance framework is the responsibility of the executive board, the audit committee and operational management. He explained there is an ongoing need to understand, confirm and prioritise key risks and then, critically, to apply assurance effort commensurate to these risks. He encouraged delegates to be responsive to emerging issues, addressing risks before they have an adverse impact on the organisation.

Frequently there is a disproportionately heavy assurance focus on financial reporting risks, leaving greater exposure in other non-financial areas. Research indicates that these are the main drivers for losing shareholder value. Internal auditors have an important role to play by working with the audit committee to ensure appropriately targeted assurance.

PwC recently carried out a national benchmarking survey on internal audit departments, the full results of which will be available shortly. Paul explained that the survey showed that, on average, companies spend approximately 20% more on internal audit than they do on external audit. Given the breadth of the potential remit of internal audit, however, he questioned whether internal audit spend was sufficient to provide companies with the assurance that was needed over key risks.

Gary Rapsey explained to delegates that external auditors are focused on ensuring that the financial statements give a true and fair reflection of the company's financial position, based on materiality. The work of external audit is therefore carefully tailored to support the audit opinion. This differs from internal auditors whose remit, is often focused on operational effectiveness and efficiency and the mitigation of risks, in order to achieve competitive advantage.

Gary explained that external auditors will seek to rely on internal controls, where it is appropriate to do so, as part of their audit approach in accordance with auditing standards. The best way for internal audit to support external auditors is to focus their work on ensuring there is a comprehensive, efficient and effective control framework in place, which is clearly documented and consistently applied throughout the year. In addition, there should be a robust monitoring and review process with findings and resolutions documented on a timely basis.

Through communicating progress and the results of work to the external auditors, internal audit can help maximise the work that the external auditors might be able to rely on through adopting a controls-based, risk-focused audit plan. This also avoids overlap between the two functions.

Gary explained the requirements of ISA 610 *Considering the work of internal audit* R, and highlighted that external auditors are required to comply with ISAs. He explained that ISA 610 sets out the external auditors' responsibilities for considering the work of internal auditors. It states that the external auditor should perform an assessment of the internal audit function and, if they intend to use the work of internal audit, the external auditor should evaluate and perform audit procedures on the work performed by internal audit to confirm its adequacy.

The hurdle set by ISA 610 is a high one, effectively meaning that internal audit work must be in compliance with external auditing standards if it is to be useable by the external audit team. This includes consideration of staff training, independence of reporting lines, onerous documentation standards and more. It is imperative that these are all complied with, as otherwise external auditors are required to perform the work themselves.

To sum up, Gary explained the importance of ongoing liaison between internal auditors and external auditors on key issues.

Lorna Webley
Independent Consultant

Digital reporting – XBRL

The use of electronic processing of financial information is increasingly commonplace. This article explains the background and recent developments in this trend.

XBRL (eXtensible Business Reporting Language) is the short name of an international project designed to improve the quality of financial reporting by facilitating the exchange and reliable extraction of financial information in electronic form. It is a new electronic language for financial data and can be used in the preparation, analysis and communication of business information.

The basic idea of XBRL is to provide each individual item of financial information with a unique, computer-readable label (a tag). For example, company net profit has its own unique label which is different from company gross profit. Instead of treating financial information as a block of text, such as in PDF format, a web page or printed annual accounts, each individual item in the financial information is identifiable by its unique tag, and can, if required, be processed independently.

XBRL tags enable automated processing of business information by computer software, cutting out laborious and costly processes of manual re-entry and comparison. It increases the speed of handling of financial data, reduces the chance of error and permits automatic checking of information. Software can recognise the information in a XBRL document and select, analyse, store and exchange it with other software. Software can also represent the information according to different users' needs. XBRL tags have no language barrier.

XBRL is already in practical use in several countries including the UK. It has recently been mandated by the SEC in the US R. In early 2006, Companies House announced that it had adopted XBRL for electronic filing of audit exempt accounts, while HMRC announced that its Corporation Tax Online service was able to accept tax computations from third party software in the same format.

Subsequently, both Companies House and HMRC have expanded the scope of electronic filing. HMRC will require all companies to file their company tax returns and supporting accounts online, using XBRL, and make payments electronically, for returns due after 31 March 2011 R.

Two main issues relating to assurance of the integrity of financial reports published in XBRL format are:

- The integrity of any audit opinion attached to them or that may be perceived as being associated with them
- Associated issues about liability, particularly if the digital reports constitute the official filings for a company

Although such issues have not inhibited the adoption of digital reporting thus far, they will need to be resolved as regulators finally begin to accept digital reports as the official filings.

The IAASB *Strategy and Work Program, 2009-2011* indicates the IAASB will, 'in consultation with national standard setters and relevant XBRL groups, develop guidance for auditors on the approach to be followed when XBRL financial statements are to be filed together with the auditor's report.'

While the *Strategy and Work Program, 2009-2011* makes clear the general thrust of the anticipated direction of the IAASB, there are likely to be differing opinions as to what specifically the IAASB should be addressing in connection with guidance on XBRL. Some may see the need for guidance dealing with auditor association with XBRL data in the light of the recent developments in the US mentioned above. Others may see the need for the issues to be addressed at a more general level, so as to allow greater use of XBRL in differing ways. It is therefore important at the outset of a project addressing XBRL, to make clear what the primary focus of the IAASB's effort will be, thereby establishing a common understanding of the scope of the Board's future discussions.

Some of these issues are being discussed at the European level by Fédération des Experts Comptables Européens (FEE). The first meeting of a FEE XBRL task force was held on 2 October 2008. The purpose of the task force is to consider the effects of XBRL on financial reporting and on auditing and assurance and input to the IAASB's thinking on this area.

The ICAEW Audit and Assurance Faculty is in contact with both of these organisations and is seeking to help clarify and further develop the audit and assurance implications of XBRL.

Henry Irving *Head of the Audit and Assurance Faculty*

CBI charges those involved in the Satyam fraud

On 7 January 2009, R Ramalinga Raju (Raju), the chair and CEO of Satyam Computer Services, resigned. He admitted inflating revenue and profits in the recent financial year. The deception involved dual accounting books, forged invoices, fake bank statements and thousands of fictitious employees. Auditors have been accused of 'signing off' on accounts with the knowledge that figures from Satyam's banks were in 'great variance with those provided by management in return for an "exorbitant audit fee" over and above the market rate'.

A 77 page charge sheet filed by India's federal crime bureau (CBI) in a court in Hyderabad, details the scope of the fraud at Satyam, and lays out the bureau's case for charging six company managers, their auditors and an adviser with cheating, forgery and falsification of accounts.

The report highlights that like many other companies, Satyam had processes in place for taking customer orders, calculating the cost of work and generating invoices. Managers in different departments checked and crosschecked the figures as they passed through the system. However, a practice of 'emergency generating of invoices' could bypass most of the steps.

From April 2003 to the end of 2008, nearly 75,000 special invoices were created. Of these, 7,561 were fraudulent; to make it look as if Satyam had more business than it did. The invoices named 11 different Indian companies but were never received by those customers. From 2004 until the fraud came to light, sales were inflated 18% a quarter on average, for a total of about 42.6 billion rupees ($840 million).

Satyam claimed that the invoices were paid through the New York branch of Bank of Baroda, on Park Avenue in Manhattan. But the bank did not receive the payments. To support the invoices, the managers falsely inflated the percentage of employees that were working 'onsite,' or on profitable projects. A part of the inflated sales were recorded in Satyam's books as debt every quarter, using forged monthly bank statements. By the quarter ended September 2008, that fictitious debt totalled about $100 million.

More than 300 investment companies were started, some of which used loans backed by shares to invest in real estate and agriculture, the report said. Banks issuing the loans included Deutsche Investments India, GE Capital Services and DSP Merrill Lynch.

Every quarter, the Raju brothers and two finance executives received both the actual and falsified sales figures. A copy of the dual reports was retrieved from the email box of the chief financial officer.

The details of the CBI's investigation could start a string of class-action suits against Satyam managers and its auditors.

Raju admitted that he started making fictitious entries in a relatively small way but as he tried frantically to reconcile them, they increased in size, slowly and steadily. He described his experience as being 'like riding a tiger' and 'not knowing how to get off without being eaten'. But in the end, he fell off in a dramatic way.

Sumita Shah *Manager, Audit and Assurance Faculty*

Bulletin Board

Faculty update

Service Charge Accounts

The Housing and Regeneration Act, passed in July 2008, included provisions enabling amendments to the original s21 Landlord and Tenant Act 1985. Representatives of the Institute have been working with the Department of Communities and Local Government (CLG) since summer 2008 on the development of the necessary regulations but the work has taken longer than expected. The new regulations will not be in place until periods beginning on or after 1 October 2009, and not 1 April 2009 as originally expected. ICAEW is updating TECH 03/07 to reflect the new provisions as well as members' comments made at the beginning of last year, but the revision cannot be completed until the new regulations are made.

The faculty will publish details of the new Regulations and guidance for members as soon as they are available: in the meantime, the 'old' provisions of s.21 Landlord and Tenant Act 1985 will continue to apply.

Audit Reports

The APB has now issued ISA (UK and Ireland) 700 (Revised). The standard and the press notice can be found at: www.frc.org.uk/apb/press/pub1903.html.

Auditors are reminded of the need to include additional wording within audit reports as outlined in the faculty's guidance Audit 1/03, *The Auditor's Report and the Auditors Duty of Care to Third Parties* which can be found at: www.icaew.com/aaf.

Internal Audit Lecture Series

Date: Monday 15 June 2009.

Topic: David Defroand of KPMG will speak on the subject of Internal Audit in the current economic environment.

Dates for 2009 lectures (topics to be confirmed):

Monday 7 September
Monday 19 October
Monday 30 November

For further details, and to book online, visit: www.icaew.com/aaf.

Financial Reporting Faculty event

Date: Monday 15 June 2009.

Topic: Financial Reporting in 2009 – What You Need To Know.

A half-day update in London, with six expert speakers on IFRS and UK GAAP.

For further details, and to book online, visit: www.icaew.com/frf.

RELATED

RELATED

Page	Article	Document(s) mentioned	Get a copy
1	An on-going concern	The faculty's event *The responsibilities of auditors and directors in tough times* FRC's *An update for directors of companies that adopt the financial reporting standard for smaller entities (FRSSE)* APB Bulletin 2008/10 *Going Concern Issues During the Current Economic Climate* APB Bulletin 2006/6 *Auditor's reports on financial statements in the United Kingdom*	www.icaew.com/aaf www.frc.org.uk www.frc.org.uk/apb www.frc.org.uk/apb
2	Faculty roadshows – past, present and future	The faculty's event *The responsibilities of auditors and directors in tough times*	www.icaew.com/aaf
3	Going concern Q&As	APB Bulletin 2008/10 *Going Concern Issues During the Current Economic Climate* APB Bulletin 2006/6 *Auditor's reports on financial statements in the United Kingdom* APB ISA (UK & I) 570, *Going Concern*	www.frc.org.uk/apb www.frc.org.uk/apb www.frc.org.uk/apb
4	Going concern and non-audit assignments	FRC's *An update for directors of companies that adopt the financial reporting standard for smaller entities (FRSSE)*	www.frc.org.uk
5	Internal auditors gain insight into the external audit function	APB ISA (UK &I) 610, *Considering the work of internal audit*	www.frc.org.uk/apb
6	Digital reporting – XBRL		www.sec.gov/rules/final/2009/33-9002.pdf www.hmrc.gov.uk/budget2007/carter.htm

Audit and Assurance Faculty
PO Box 433
Moorgate Place
London EC2P 2BJ
T: +44 (0) 20 7920 8493
F: +44 (0) 20 7920 8754
E: tdaf@icaew.com
DX 877 London/City
www.icaew.com/aaf

***Audit & Beyond* editorial information**

Comments should be addressed to the Audit and Assurance Faculty, ICAEW, PO Box 433, Chartered Accountants' Hall, Moorgate Place, London EC2P 2BJ
T: +44 (0)20 7920 8516
E: sumita.shah@icaew.com
W: www.icaew.com/aaf

Audit & Beyond is produced by Wolters Kluwer (UK) Limited on behalf of the Audit and Assurance Faculty
T: 0870 777 2906
E: customerservices@cch.co.uk
ISSN: 17748-5789

If you have enjoyed reading ***Audit & Beyond***, please pass this copy on to one of your colleagues or associates who may be interested in joining the Audit and Assurance Faculty. All enquiries should be directed to the Faculty address left.

TECPLM8180 May 2009