



**INTERNATIONAL FEDERATION  
OF ACCOUNTANTS**

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## Agenda Item

# 4

**Board** International Ethics Standards Board for Accountants

**Meeting Location:** AICPA Boardroom, New York, United States

**Meeting Date:** March 6-7, 2007

## Independence Part II

### Objectives of Agenda Items

1. To consider the recommendations of the Task Force and to provide direction to the Task Force

### Background

When the Board approved the exposure draft at its December 2006 meeting it recognized that there were three specific areas, not addressed in the exposure draft, which should be considered subsequent to release of the exposure draft. These areas were:

- Whether it is appropriate to revise the existing guidance related to the provision of internal audit services to audit clients;
- Whether it is appropriate to include additional guidance related to economic dependence in the paragraph dealing with fees in Section 290 (and proposed Section 291); and
- Whether it is appropriate to revise the existing guidance relating to contingent fees.

The Task Force<sup>1</sup> met in February to consider these matters. The consideration included benchmarking to positions taken in other jurisdictions. The recommendations of the Task Force are presented in Agenda Papers 4-A, B and C.

### Material Presented

Agenda Paper 4	This agenda paper
Agenda Paper 4-A	Internal Audit
Agenda Paper 4-B	Contingent fees
Agenda Paper 4-C	Economic Dependence
Agenda Paper 4-D	IOSCO Survey on Non-audit services (provided for reference purposes)

### Action Requested

1. Board members are asked to consider the questions presented in each of the agenda papers.

<sup>1</sup> David Winetroub (Chair), Heather Briers, Ken Dakdduk, Barbara Majoor, Michael Niehues, Andrew Pinkney and Sylvie Soulier