



**Financial Audit Guidelines  
Subcommittee**

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

**Subject: Proposed Revised and Redraft to International Standard on Auditing No. 320 – MATERIALITY IN PLANNING AND PERFORMING AN AUDIT, and Proposed Redraft to International Standard on Auditing No. 450 - EVALUATION OF MISSTATEMENTS IDENTIFIED DURING AN AUDIT.**

This letter provides the comments of the Financial Audit Guidelines Subcommittee of the International Organization of Supreme Audit Institutions (INTOSAI) on the proposed revised and redraft to International Standard on Auditing (ISA) No. 320 – *Materiality in planning and performing an Audit*, and on the Redraft of ISA No. 450 – *Evaluation of Misstatements Identified During an Audit*, both issued for comments in November 2006.

The Financial Audit Guidelines Subcommittee is comprised of experts from the Supreme Audit Institutions of Brazil, Canada, Cameroon, , Namibia, Norway, United States, United Kingdom, Korea, Jordanian, Sweden and the European Court of Auditors. The comments reflect the opinion of the experts. The Subcommittee also encourages the respective Supreme Audit Institutions to provide their own comments on proposed International Standards of Auditing.

We commend the International Auditing and Assurance Board (IAASB) for addressing the comments we had provided in response to the December 2004 exposure draft. We support the proposed revised standards and find that the redrafts have done a great deal to clarify the guidance.

In response to the specific questions asked we have the following answers.

We do believe that:

- The objective to be achieved by the auditor , stated in the proposed redrafted ISA is appropriate,

- the criteria identified for determining whether a requirement should be specified have been applied appropriately and consistently, in such way that the resulting requirements promote consistency in performance and use of professional judgment by auditors

We do not have any specific comments to the revised and redrafted standards. We thank you for considering our comments on these standards, and we welcome the opportunity to work with the IAASB to develop globally accepted auditing standards for use in both the public and private sectors.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Gert Jönsson', followed by a vertical red line.

Gert Jönsson  
Deputy Auditor General

The INTOSAI Financial Audit Guidelines Subcommittee